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Southeast Asia Report



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INTER-ASIAN AFFAIRS

AFP SUMS UP ASIAN REACTION TO CHERNOBYL ACCIDENT

HK130813 Hong Kong AFP in English 0748 GMT 13 May 86

[Report by Peter Mackler]

[Text] [No place-name as received] 13 May (AFP)--Several Asian nations are taking hard looks at their own atomic futures while keeping a close eye on fallout from last month's nuclear power-plant accident in the Soviet Union.

Taiwan has put off construction of its fourth nuclear plant for at least 2 years while Indonesian authorities pondered whether to go ahead with their first.

The 26 April disaster at Chernobyl probably dealt the coup de grace to the Philippines' only nuclear facility, a 2.1 billion dollar white elephant that had been kept closed because of cost problems and safety concerns.

"In the wake of the Chernobyl tragedy it seems impossible now to operate the plant, as a practical matter," said government spokesman Rene Saguisag.

The options under consideration are to mothball the U.S.-built plant on the Bataan Peninsula indefinitely, sell its equipment abroad, or convert it into a conventional power generating unit, Mr Saguisag said.

Chernobyl has forced India to reconsider an 8-year-old Soviet proposal to build an atomic power station using enriched uranium with light-water, graphite-moderated systems, reliable sources said.

Pressure was also mounting on other governments to burn their nuclear bridges.

The 4.5 million-member General Council of Trade Unions of Japan joined with Japanese pacifist groups on 30 April to urge that all nuclear power plants in the country suspend operations after the Chernobyl accident.

Anti-nuclear groups in Hong Kong launched a campaign to pull out of a joint venture with China to build a nuclear power plant 50 kilometers (30 miles) to the north of [the] bustling colony.

They planned to petition local officials Wednesday and start a signature campaign later this month to block the long-planned Daya Bay project, which would be China's first major atomic plant.

In Australia, which has a quarter of the world's known uranium reserves but no atomic power plants, concern over Chernobyl has prompted new calls for the closure of two small scientific nuclear reactors on Sydney's outskirts.

Australian Foreign Minister Bill Hayden called for the International Atomic Energy Agency in Vienna to impose emergency procedures in the case of accidents.

"Nations with nuclear reactors should have international legal obligations in these areas," he said.

South Australian Premier John Bannon also said his government would not allow any uranium to be exported to the Soviet Union because of the lack of adequate safeguards.

But some countries said that the Chernobyl drama would have no effect on their own nuclear programs.

While voicing concern, China said it intended to go ahead with Daya Bay as well as other units to be built near the eastern port city of Shanghai, home to some 12 million people. Peking did not even cancel plans to send a team to the Soviet Union to study nuclear cooperation.

A nuclear energy official said China was using a pressurised-water system to cool its reactors, which was safer than the graphite used at Chernobyl. "The accident caused no panic among Chinese experts," he said.

Authorities in South Korea came to the same conclusion after a radiation-protection committee within the Science and Technology Ministry carried out security checks on the nation's five nuclear reactors. The Energy and Resources Ministry said that despite the Soviet accident, South Korea would go ahead with the planned construction of two additional nuclear power plants.

Officials of Japan's Science and Technology Agency said they too saw no need to change their nuclear-power program since their reactors were different from the one at Chernobyl. Japan has 32 atomic power plants on stream.

In Jakarta, nuclear-energy officials were optimistic that a scheduled 3 June meeting of seven ministers and experts would approve their plans to build the country's first nuclear power plant at Serpong, West Java.

Indonesia is counting on nuclear power to provide a third of its electricity by 2005. Officials brushed aside suggestions by anti-nuclear groups that they opt for alternative sources of energy. "They recommend solar, wind,

water of biomass. It's ridiculous," said Jali Ahimsa, director of the Indonesian Atomic Agency. "If you want to industrialise Java, with a population of more than 100 million, you need a huge quantity of energy that you can only get with coal and nuclear."

Asians were still nervous, however, about radioactive fallout from the Chernobyl accident. Reports last week that radioactive iodine had been found in domestically produced milk sent shock waves through Japan. Its nuclear pollution detection posts are on full alert and its meteorological agency says it is swamped daily with questions about local levels of radioactivity.

Any arrivals from the Soviet Union are carefully checked at Japanese airports.

Singapore's Environment Ministry said that it was regularly collecting and testing dust samples, but there had been no abnormal readings so far. "All meat, milk and other farm produce, such as fruits and vegetables, imported from Eastern and Western European countries will be tested for radioactive contaminants before they are allowed for sale to the public," the ministry said.

Malaysian health officials have also been monitoring the environment and checking food imports. They said that all ships from the Soviet Union and other countries affected by Chernobyl fallout would be closely inspected when they docked at Malaysian ports.

/9604

CSO: 4200/1062

BRIEFS

AUSTRALIA: NUCLEAR-FREE TREATY--Australia's foreign affairs minister, Mr Hayden, has predicted that enough countries will formally endorse the South Pacific nuclear-free zone treaty for it to be registered with the United Nations. Speaking in the Tongan capital, Nuku'alofa, Mr Hayden said eight countries would have to formally endorse the treaty for this to happen. So far, nine countries have signed the treaty: Australia, Papua New Guinea, Cook Islands, Fiji, New Zealand, Kiribati, Niue, Tuvalu, and Western Samoa. However, only three have formally endorsed it: Fiji, Cook Islands, and Niue. Vanuatu has said it will not endorse the treaty because its conditions are not strong enough. This leaves Nauru, Solomon Islands, and Tonga still in doubt out of the 13 South Pacific Forum countries. Mr Hayden said Tonga's foreign and defense minister, Prince Tupouto'a had expressed concern about some aspects of the treaty during talks today. However, he would not give details of what the Tongan minister had said. Mr Hayden is on a 2-day official visit to Tonga, the (?last) stop on his 2-week tour of the South Pacific. [Text] [Melbourne Overseas Service in English 0830 GMT 19 May 86 BK] /6662

CSO: 5200/4320

BRIEFS

ENVOY TO AUSTRALIA--Brunei High Commissioner to Australia Dato Haji Abdullah bin Haji Mohamed Jaafar presented his credentials to Australian Governor General Sir Ninian Stephen in Canberra in April. [Summary] [Kuala Belait THE BORNEO BULLETIN in English 3 May 86 p 4] /9604

BURKINA FASO MINISTER VISITS--Brunei and Burkina Faso can work together to promote peace, national order and economic cooperation among nations, Brunei Foreign Affairs Minister Prince Muda Mohammed Bolkiah said this week. He was speaking at a dinner in honour of the external affairs minister from the West African nation, Mr Basile Laetare Guissou, who ended a 2-day visit to Brunei on Tuesday. [Excerpt] [Kuala Belait THE BORNEO BULLETIN in English 26 Apr 86] /9604

CSO: 4200/1061

TROOPS REPORTEDLY OVERRUN KARENNEI PROGRESSIVE CAMP

BK190804 Hong Kong AFP in English 0718 GMT 19 May 86

[Text] Rangoon, 19 May (AFP) -- Burmese forces have overrun the headquarters of the rebel Karenne Progressive Party, which also housed branches of other rebel groups and served as a contact point with foreigners, press reports said here.

Troops overran and destroyed the camp at Hwayponlaung in Shadaw township, Kayah state near the Thai-Burmese border April 12, according to a two-part article published in the state-run Burmese language newspapers THE MIRROR [KYEMON] and THE WORKING PEOPLES DAILY [LOKTHA PYEITHU NEZIN] Sunday and Monday.

The fall of the camp, which acted as a rebel toll point and armory and also housed Kachin and Pa-o rebel groups, was a major blow to both Karenne and Karen rebels, the article said.

Troops seized ten weapons, 5,000 rounds of ammunition, two walkie-talkies, a jeep, 1,090 pounds (495 kilos) of marijuana and 100 tons timber at the camp.

Two government troops were killed and two wounded, and several rebels were killed or wounded, the report said, but gave no detailed figures for the rebel losses.

The camp, which contained 138 tin-roofed buildings and 75 huts also acted as a contact point with foreigners, the report added.

Rebels who fled across the border after the Burmese troop attack included five white foreigners who had been there since 1984 conducting a medical training course, according to the article.

Two white pressmen identified as "Lloyd" and "Andrew" and said to be brothers had helped bring 100 M-16 rifles to the camp in March 1985, the report said.

In September, rebels had invited another journalist, Terence White, to publicize their cause for a separate independent state and had shown him 85 recruits graduating from a military training course, the report quoted captured documents as saying.

A separate press report Monday said that Christian Karen and Burmese communist rebels had forged a temporary alliance to engage in drug trafficking in the "Golden Triangle."

VOPB REPORTS RESISTANCE GROUPS' ATTACKS

BK181334 (Clandestine) Voice of the People of Burma in Burmese 1200 GMT 18 May 86

["Combat News"]

[Text] On 12 March 1986, an ambush by a small unit of the People's Army on the unit of the military government's mercenary 1st Chin Rifles Regiment in Mong Yawng region resulted in seven enemy soldiers being killed and four others wounded. The People's Army captured 4 G-2's, 2 G-4's, 1 carbine, 5 grenades, 2 2-inch mortar shells, and over 560 rounds of assorted ammunition.

On 25 March an attack by a People's Army unit on a troop of enemy soldiers from the mercenary 33d Infantry Regiment at (Lon Pan Kwin), south of Tangyan, resulted in one enemy soldier and one militiaman and wounded three soldiers and four militiamen. Captured from the enemy in this battle were 1 M-79, 17 rounds of M-79 shells, 1 carbine, more than 100 rounds of assorted ammunition, 3 50-mm shells, 4 grenades, and other military supplies.

Combat news of the combined force of the People's Army and the Shan State Army [SSA??] 5ZT 1300 on 25 April, a combined unit of the People's Army and the SSA attacked a company of the mercenary 67th Infantry Regiment at Xkhsan Lin village, Maw Hpa region in (?Mong Long). The attack killed 4 enemy soldiers and wounded more than 30 others and forced the enemy to flee in disarray. According to incomplete reports, 1 G-3, 2 sten guns, over 300 rounds of assorted ammunition, (?11) 2-inch mortar shells, and other military supplies were captured.

Combat news of the combined standing army of the National Democratic Front [NDF] and the Karen National Liberation Army [KNLA]: On (?23) December, a unit from the combined standing army of the NDF and a KNLA unit clashed fiercely with the military government mercenary troops at (Man Ye-Boktalo). Two enemy soldiers were killed and four others were wounded in the battle. Captured from the enemy were 2 G-3s, [words indistinct], 20 magazines, and other military supplies.

At 0745 on 26 December, the enemy troops were again attacked, and the engagement killed two enemy soldiers, including a mercenary sublieutenant, and wounded three others. One pistol, 30 rounds of pistol bullets, 1 G-3, 300

rounds of G-3 ammunition, 7 magazines, 15 60-mm shells, 1 sten magazine, and other military supplies were captured.

At 1210 on the same day, an ambush against the enemy soldiers at 22-mile camp resulted in 2 enemy soldiers being killed and 44 others, including the column commander and a platoon commander, being wounded.

It was learned that 1 carbine, 40 rounds of carbine ammunition, 20 M-79 shells, 3 81-mm mortar shells, 4 M9-A1 [as heard] shells, 87 rounds of G-3 ammunition, 2 magazines, and other military supplies were captured.

Combat news from southern combat zone of the NDF: On 2 April 1986, NDF units using small and heavy weapons attacked the regimental headquarters of the mercenary 62d Infantry Regiment in Ye. Several enemy soldiers were killed or wounded. In addition, four mercenary policemen, including a police station commander, and three defense militiamen in the town were killed and many others were wounded. While the battle was in progress in Ye Town, mercenary soldiers advancing from (?Kyaikmaraw) were ambushed. The attack killed four enemy soldiers and killed four others.

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CSO: 4211/51

MELBOURNE INTERVIEWS DEPUTY PRIME MINISTER

BK151021 Melbourne Overseas Service in English 0810 GMT 15 May 86

[From the "International Report" moderated by (Gabriel Lafitt)]

[Text] One of the most dramatic and important developments in the political life of Fiji over recent months has been the emergence of the Fiji Labor Party. The party was formed last year after a dispute between the powerful Trade Union Congress and the ruling Alliance Party of Ratu Sir Kamisese Mara and has had some dramatic successes in local government and city council elections.

Previously Fiji had operated as a virtual 2-party state -- the Alliance Party and the Indian-dominated National Federation Party [NFP]. The deputy prime minister of Fiji, Mosese Qionibavari, has been in Australia this week for a commonwealth study conference. He told our reporter (Andrea McLoughlan) that the formation of a Labor Party in his country had been inevitable but that much of its support had come from voters and members dissatisfied with the performance of the NFP. Now, he says, the Federation Party is fighting back.

[Begin recording] [Qionibavari] The Labor Party, I am sure would have been formed sooner or later. We have a very active trade union movement. It has close links with Australia and New Zealand, and I think that the formation of a labor Party was bound to come in any case. It had been formed earlier than we thought would have happened because of the wage policies that we had adopted from last year. And they have tried to use the political forum of a Labor Party in opposition to the government's wage policies.

[McLoughlan] The Labor Party has had some pretty spectacular successes in its short lifetime. How much of an electoral threat is it?

[Qionibavari] It had successes in the urban areas for local government elections which is understandable because their base are the working people in the urban areas. In addition to that they have had successes because of the disarray in the opposition party, disenchantment among some of the supporters of the NFP who have now seen the Labor Party as a possible alternative for their political movement. So that has been the reason in my view for what appeared to be spectacular successes. Firstly, because they have

started in the urban areas where the traditional support of the trade union movement exists. In addition, the fact that the NFP had been very much in disarray, and some of the disgruntled members have moved to the Labor Party.

[McLoughlan] Do you predict their support will drop off after this initial success?

[Qionibavari] The main factor that would determine the future success or otherwise of the Labor Party is how strong the opposition or how well they would be able to recoup their position. They have now just appointed a new leader of the opposition; Mr Koya has stepped down, and it will depend on whether the new leader and the new group they are trying to recoup the image and the position of the NFP as to whether labor would be successful in the future. [sentence as hears] [end recording]

/12929

CSO: 4200/1037

LABOR PARTY THREAT TO TWO-PARTY SYSTEM

Kuala Lumpur BUSINESS TIMES in English 25 Apr 86 p 20

[Article by Francis Daniel]

[Text] **The party, born only last July, has burst on to the political scene with an unprecedented call for breaking down traditional political barriers between the country's two major races — Fijians and Indians.**

A NEW political party backed by Fiji's powerful labour movement is mounting a serious challenge to the government of Prime Minister Ratu Sir Kamisese Mara which has ruled the South Pacific state since independence 15 years ago.

The Labour Party, born only last July, has burst on to the political scene with an unprecedented call for breaking down traditional political barriers between the country's two major races — Fijians and Indians.

"I must admit the Labour Party did emerge rather suddenly and established parties were caught unawares," Deputy Prime Minister Ratu David Toganivalu said.

"A lot of people have been persuaded initially by new ideas but this will not last long."

Mr Toganivalu, who is also Fijian Affairs Minister, predicted that the new party, which has drawn its strength from union strongholds in ur-

ban areas, would soon face a dilemma in a country where politics is constitutionally structured along racial lines.

The ruling Alliance Party is Fijian-dominated while its main opposition has come until now from the Indian-based National Federation Party (NFP).

The Fijians are slightly outnumbered by Indians who make up 51 per cent of the total population of 700,000.

The government has dismissed the Labour Party's

claim to be the state's only multi-racial political force. It says the new party's support is mainly from Indians disenchanted with the NFP, which is facing leadership problems and internal dissension.

General elections due in the middle of next year could lead to the collapse of the NFP but the Labour Party would not be able to win massive Fijian support to oust the government, Mr Toganivalu said.

Labour Party president Timoci Bavadra disagreed.

"We will contest all parliament seats and hope to form the next government," he said.

"We want to arrest further racial polarisation and give a platform for people of all races and sections of the community."

However, Mr Bavadra added that his party would not seek any immediate change to the power-sharing arrangement between the Indians and Fijians provided under the constitution.

"It is a very sensitive matter. It will require a lot more time and consideration and a lot more racial integration. I do not feel any immediate need to change the constitution," he said.

The island nation's parliament has 32 elected members. Under the constitution, 44 of the seats are divided equally between the Fijians and Indians. The rest are open to minority races like Europeans and Chinese.

The Alliance Party, which has been in power since independence from Britain in 1970, holds 29 seats.

The NFP's strength has dwindled to 15 after half a dozen members quit to become independents following disagreements with 62-year-old party leader Siddiq Koya.

Disputes, public squabbling and faction fights have marked the NFP's stormy history and the divisions worsened after Mr Koya led the party to a disastrous by-election defeat in an Indian communal seat in May last year. The rival election candidate was put up by the NFP's youth wing which has openly demanded Mr Koya's resignation.

Mr Bavadra, a 52-year-old medical doctor who describes his party as democratic socialist, said the NFP was falling apart and large numbers of its followers were defecting to Labour.

His party made an impressive debut at city council elections in the capital five months ago when it won eight of 20 seats, wiping out the NFP which lost all 11 seats it contested.

The Labour Party is sponsored by the Fiji Trades Union Congress (FTUC) which withdrew support from the Mara government after an officially sanctioned wage freeze and the dismantling of a joint employers-union body, to set annual pay rises.

Mr Bavadra said the party is spreading fast in rural areas. "We're going into the country with our multi-racial, multi-cultural, multi-religious approach. We will prove our opponents wrong."

Mr Toganivalu is unperturbed. He said his party would be led by 66-year-old Mara at the next elections and it would be standing on an impressive economic record over the past 15 years.

The government has tabled a five-year development plan setting a target of five per cent annual economic growth compared to 1984's growth in real Gross Domestic Product (GDP) of 2.5 per cent.

The plan aims to cut the jobless rate from an estimated 10.2 per cent of the population to about seven per cent by creating more than 35,000 new jobs, mostly in agriculture, forestry and fishing.

Mr Toganivalu said the plan could not be matched by the Labour Party which had yet to come up with an alternative.

"They will soon learn that union power is not national political power," he added. —
Reuter

BORDER TRADE DISCUSSED WITH PNG OFFICIALS

BK100921 Jakarta MERDEKA in Indonesia 5 May 86 p 8

[Text] Jayapura, Sunday [4 May -- FBIS], ANTARA -- the Indonesian and Papua New Guinea Governments held a border liaison meeting in Jayapura on Friday to discuss bilateral trade relations and problems on the Indonesian-PNG border.

The Indonesian delegation to the meeting was headed by P.K.P. Poana, assistant to the Irian Jaya governor in charge of the third region. Members of the delegation included I Nyoman Sudha, Merauke regional secretary; Colonel Monang Siburian, staff member of the Maluku-Irian Jaya special executive officer; Police Lieutenant Colonel Saumar, staff member of the Irian Jaya police; and P. X. Sriyanto Sri Wardoyo, secretary of the Border Team.

The PNG delegation was led by Nataio Rabura, assistant secretary general for border affairs. Members of the delegation were Ludwik Kanbu, the Western Province police chief; Henry Novie, chief representative of the PNG Ministry of Foreign Affairs in Daru; Dominic Tari, officer in charge of provincial affairs; L. Sapien, border administration officer; and Joseph Asaigo, first secretary of the PNG Embassy in Jakarta.

Border Team Secretary General Suryanto Sri Wardoyo said after the meeting that the topics discussed covered among other things the PNG Government's desire to establish trade relations with Indonesia, particularly Daru and Merauke.

According to Suryanto, the PNG Government wants to establish trade relations with Indonesia, because the prices of Indonesian goods, particularly in Irian Jaya, are much lower than in other countries. The goods needed by PNG include fuel, ready-made garments, building materials, and other daily necessities.

/12929

CSO: 4213/142

SEABED BOUNDARY TALKS WITH AUSTRALIA POSTPONED

Jakarta ANTARA NEWS BULLETIN in English 30 Apr 86 p A2

[Text] Canberra, Australia, 30 Apr (ANTARA/AFP)--Australian Foreign Affairs officials were informed late Tuesday that scheduled talks next month with Indonesia on delineating the seabed boundary between the two countries have been postponed.

The talks were to have been round-eight of the discussions on the seabed boundary of East Timor, the only section of the boundary still not agreed between the two countries.

The Indonesian embassy informed the foreign affairs officials and the Resources and Energy Department that the talks, scheduled to run from 6 May to 8 May, had been postponed.

A Resources and Energy spokesman said it was not clear whether the postponement of the talks related to the on-going row between Australia and Indonesia over the banning of Australian journalists from Indonesia.

The spokesman said it was hoped the talks would be rescheduled "in the near future."

/9274

CSO: 4200/1043

NEW ZEALAND VICE SPEAKER ON IMPROVING RELATIONS

Jakarta ANTARA NEWS BULLETIN in English 30 Apr 86 p A7

[Text] Jakarta, 30 Apr (ANTARA)--New Zealand's Vice Speaker, John Terris, who leads New Zealand's visiting Parliamentary delegation to Indonesia at the invitation of the Indonesian Parliament, has said that the aim of his delegation's visit to Indonesia is to learn and to have a better understanding about Indonesia.

He made this statement at the dinner party given by Vice Speaker H. Kharis Suhud here Tuesday evening which was also attended by Vice Speakers H. Amir Murtono and H. Nuddin Lubis, Parliament Secretary General Wang Suwandi and the chairman of the interparliamentary cooperation body.

At present, John Terris said, the relations between the two countries have become closer, which should be stepped up further in future.

He was of the view that to strengthen and to step up cooperation in all fields, both countries should conduct exchanges of visits more frequently, not only at governmental level but at other levels as well.

John Terris said that he would be very glad to receive Indonesian youth who wanted to study in New Zealand, which could improve cooperation between both countries.

Indonesian Parliament Vice Speaker H. Kharis Suhud in his address said that the visit of the delegation was very welcome and that it was proper that the friendly relations between two neighbouring countries in the Southwest Pacific region should be further strengthened on the basis of peaceful coexistence, he said.

Kharis Suhud further said that several months ago New Zealand Prime Minister David Lange and several other ministers visited Indonesia. He hoped that the exchanges of visit would not be limited to government officials, but would also be conducted between members of both countries' Parliaments and the people of all walks of life.

He also gave a brief explanation on the history of Indonesia's independence struggle and on Indonesia's national development program.

TECHNICAL COOPERATION AGREEMENT WITH FRG SIGNED

Jakarta ANTARA NEWS BULLETIN in English 27 Apr 86 p A5

[Text] Jakarta, 27 Apr (ANTARA)--Indonesia and West Germany have signed a technical cooperation agreement for the development of the Mahakam area, East Kalimantan.

The document of the cooperation agreement was signed in Tenggarong, East Kalimantan, Friday, by Director General for Regional Development Drs. Atar Sibero on behalf of the Indonesian Government and Secretary of the West German Embassy in Jakarta Dr Schehing.

The project to be handled under the newly signed cooperation agreement constitutes the continuation of the development of transmigration areas in East Kalimantan which has been undertaken under West German support.

The technical cooperation agreement just signed will cover the development of transmigration areas in the province in the 1986-1989 period.

The cooperation project to be handled in the 1986-1989 period will involve the realization of the resettlement program, the expansion of job opportunities, the improvement of health facilities, the implementation of the family planning program and the development of the public works sector.

Apart from that, the development of transmigration areas in East Kalimantan under West German technical assistance also includes the development of the agricultural sector, which covers animal husbandry, fishery and plantation sub-sectors.

The director general for regional development stated on the occasion that technical cooperation with West Germany would help accelerate the development of the resettlement areas involved and improve the ability of the government apparatus in handling such projects.

/9274

CSO: 4200/1048

FRG CONSULTANT COMMENTS ON INVESTING IN INDONESIA

Jakarta ANTARA NEWS BULLETIN in English 29 Apr 86 pp A7, A8

[Text] Hamburg, 29 Apr (ANTARA)—Indonesia is a profitable place for foreign investors who are patient and work with a long term strategy.

"Indonesia is not a place where people waste their money rapidly," said West German consultant Herfried A. Kroll at a symposium on "Investment in Indonesia" held in Hannover, West Germany, in mid April under the sponsorship of ESCAP (The Economic and Social Cooperation for Asia and the Pacific), UNIDO (the United Nations International Development Organization) and the West German government.

Kroll who is being assisted to the Indonesian Investment Coordinating Board (BKPM) stated this before 60 West German businessmen who have not really known about the business situation in Indonesia.

"The say they want to make money in Indonesia rapidly," he said. [as published]

"That is not the way, they must be patient," he added.

To make sure his advice, he mentioned several companies which have operated for years in Indonesia and they keep on growing at present.

The consultant admitted that it is not easy to find a reliable business-partner in Indonesia, although BKPM, KADIN (the Indonesian Chamber of Commerce and Industry), EKONID (the German-Indonesia chamber of commerce and industry) and other institutions have offered their help.

It needs time and adaptation to find a suitable partner, according to Kroll.

He also reminded foreign businessmen to master to Indonesian language and know the Indonesian cultures and traditions in order to help smoothen their businesses.

During the symposium, a number of businessmen and consultants from West German economic institutions told the audience about their experiences of operating businesses in Indonesia.

Apart from complaints and shortcomings, in general they admitted that Indonesia is a business place which promises a bright future.

One of the speakers was Mrs Augusta Tjahjadi who explained about technical matters on investment.

EAST EUROPE SAID INTERESTED IN BUYING NONOIL COMMODITIES

Jakarta ANTARA NEWS BULLETIN in English 30 Apr 86 pp A1, A2

[Text] Jakarta, 30 Apr (ANTARA)--The East European socialist countries and Austria which recently visited by delegates of the Indonesian Chamber of Commerce and Industry (KADIN) are interested to buy Indonesia's non-oil/bas commodities.

This was revealed by General Chairman of the Kadin Sukamdani Gitosardjono in his capacity as chairman of the Kadin delegation to those countries to the press here Monday.

He said that among Indonesia's commodities to be brought by the East European states are coffee, pepper, medicines, processed timbers, rubber, cocoa, palm-oil, textile and garments, canned food and beverages.

The 30-man Kadin delegation has visited Yugoslavia, Hungary, Bulgaria, Romania, Poland, Czechoslovakia and Austria.

During the tours they had talks with the ministers of finance and businessmen of the countries visited on possible various cooperations in the field of economy and trade, transfer of technology and enhancement of investment in Indonesia.

The East European socialist states are keen in buying Indonesia's products.

Sukamdani gave an example that Bulgaria wants to buy Indonesian made condoms worth US\$30,000.

In a meeting with the Austria Chamber of Commerce the Indonesian delegation received an order of exporting cement and rice.

He said that rice bought from Indonesia would be further sold to the African states in bad need of food.

For this, an Austrian delegation will arrive here to further negotiate the deal with his Indonesian counterpart.

Many of the East Europe and Austrian businessmen want to invest their money in Indonesia, particularly in pharmaceutical industry, wood processing and essential oil industries, Sukamdani said.

A. Hakim Talib, secretary of the Kadin delegation meanwhile said that East Europe and Austria want to buy 95,000 tons of coffee from Indonesia each year.

He said that Yugoslavia is interested in buying 1,500 tons of coffee a year, next to Poland 30,000 tons, Austria 20,000 tons, Czechoslovakia 30,000 tons, Hungary 1,000 tons and Romania around 15,000 tons.

Indonesia's black pepper has also bright prospect. Those countries needs around 1,000 and 1,500 tons a year, while Austria needs 1,500 tons per year. [as published]

As for rubber, Bulgaria needs around 1,000 tons, while Czechoslovakia, Yugoslavia and Poland are expected to buy between 20,000 and 25,000 tons of rubber per annum.

The Indonesian Kadin delegation arrived back here last Sunday.

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CSO: 4200/1048

BRIEFS

METHANOL PLANT ON TRIAL RUN--Balikpapan, 23 Apr (ANTARA)--A methanol plant south of Bunyu Island, some 500 m north of Samarinda, East Kalimantan, was completed in last February, and is now engaged in trial operations. The first plant of its kind in Indonesia, it was built since 1983 for a capacity to produce 1,000 tons of methanol from 40 million cubic feet of natural gas found in abundance on the island. A spokesman for the local Pertamina office meanwhile disclosed here that the plant is equipped with eight compressors for sucking the gas from dozens of gas wells. "We are waiting for orders from the industrialized countries such as Japan, South Korea and Taiwan, in addition to other ASEAN member countries," he said. "We will also face difficulties if we produce so soon and in too great a volume, because it is difficult to store the gas," he said. The methanol should be exported shortly after it is produced. [Text] [Jakarta ANTARA NEWS BULLETIN in English 24 Apr 86 p A] /9274

97 MILLION VOTERS EXPECTED--Jakarta, 23 Apr (ANTARA)--About 97 million people will have the right to vote in the coming general elections in 1987, an increase by around 15 million from the 1982 election. Deputy Secretary of the General Election Board (LPU) Drs P. Gunardo told the press at the Information Department here Wednesday that the electorate committee will launch the door-to-door registration operation throughout Indonesia from 1 May to 20 July. "Through this campaign, LPU will exactly know the number of voters for the coming election," he added. But according to preliminary estimation, the number of voters in the 1987 elections will stand to 97,043,532 of the total 161,738,313 people. Gunardo said that the government has allocated Rp. 132 billion fund for the elections, 84 of them will be provided for the regional electorate boards throughout the provinces. [Text] [Jakarta ANTARA NEWS BULLETIN in English 24 Apr 86 p A10] /9274

NATIONAL SHIPPING COMPANY PROFIT--Jakarta, 28 Apr (ANTARA)--Although nine of the 38 branch offices of Indonesia's oldest shipping company PT PelnI suffered a loss, its total income in 1985 amounting to more than Rp76 billion, shows a profit of Rp2.3 billion. Addressing the 34th anniversary of the company here Monday, PelnI's president director Sudharno Mustafa said while 18% of the net profits was gained by the branch offices, 42 of them suffered a total loss of Rp575 billion in 1982. In short, he added, compared to the situation in 1985, the heads of the branch offices, who had been called warlords, had proved their ability in the improvement and development of the shipping company. Speaking on the loss suffered by the nine branches in the same year, he said the heads of the branch offices cannot be held fully responsible because the setback was also the unfortunate result of the decreasing activities of the branch offices. Sudharno Mustafa, however, reminded that although things have improved, the employees should not take things too easy as further improvements must be made. [Text] [Jakarta ANTARA NEWS BULLETIN in English 28 Apr 86 p 3] /9274

SOVIET REACTOR SYSTEMS--Jakarta, 10 May (ANTARA) -- The Indonesian nuclear power generating programme (PLTN) has not been affected by the Soviet's Chernobyl nuclear reactor accident which took place on April 25-26. This was stated by Director General for the National Atomic Energy Agency (BATAN) Ir Djali Ahimas in a press conference here Friday. Ir Djali Ahimas said BATAN had never studied Soviet's nuclear technology because the latter was closed to outsiders. To outsiders, nuclear energy projects that are taken as reference by BATAN are those of West Germany, France, Italy, the United States, Canada and Japan. Djali pointed out that the Soviet nuclear technology system belonged to the old fashioned one as proved by its sensitivity to leakages. He said the Indonesian Government had not decided as to which nuclear technology system would be adopted as model but added however that Indonesia would not take the Soviet system as reference. [Text][Jakarta ANTARA in English 1611 GMT 9 May 86 BK]

SRI LANKAN FINANCE MINISTER--President Suharto received a courtesy call from Sri Lankan Finance and Planning Minister Ronnie del Mel in Jakarta this morning. The minister conveyed a letter from President Jayawardene to President Suharto. President Suharto renewed his invitation to President Jayawardene to visit Indonesia to return the head of state's own visit to Sri Lanka in 1979. Finance Minister Radius Prawiro, who accompanied the Sri Lankan guest, told newsmen that the Sri Lankan finance and planning minister is studying taxation systems suitable for developing countries during his 7-day stay in Indonesia. He has been briefed on tax reform in Indonesia. Indonesian officials and the Sri Lankan minister also discussed efforts to promote investments because Sri Lanka is making efforts to woo foreign investors. The Sri Lankan guest gave attention to efforts to promote tourism during his visit to Bali. According to Finance Minister Radius Prawiro, Indonesia and Sri Lanka have undertaken cooperation in the development of tea. Indonesia bought tea-processing equipment from Sri Lanka and sent its technicians there to deepen their knowledge about and skills in tea growing. Minister Radius said that the two countries are following up their cooperation in the development of the commodity. [Text] [Jakarta Domestic Service in Indonesian 1200 GMT 10 May 86 BK]

NEW PARTY LEADERS--In its capacity as the mandate holder in charge of forming the Central Executive Council of the Indonesian Democratic Party [PDI], the government has appointed Suryadi and Nicolaus Daryanto as chairman and secretary general of the party for the 1986-93 tenure. The appointment followed the party's failure to form its Central Executive Council during its recent congress of 15-18 April. The announcement of the PDI Central Executive Council lineup was attended by Home Affairs Minister Suparjo Rustam. [Summary][Jakarta KOMPAS in Indonesian 3 May 86 pp 1, 12 BK]

INVESTMENT IN IRIAN JAYA--Jayapura, 28 Apr (ANTARA)--Investment by firms operating under the foreign investment scheme (PMA) in Irian Jaya during 1985 reached the equivalent of Rp405,533,000 (US\$1 = + Rp 1,100), surpassing the set target of Rp 279,580,000. Data received by ANTARA from the Irian Jaya provincial trade office here Monday showed that 12 firms participated in the foreign investment scheme and that they had already obtained their license to operate, six in the fishery sector, two in the forestry and in mining, plantation and pearl cultivation one each. The number of workers employed by these firms amounts to 6,217 people, almost reaching the set target of 6,528 workers for 1985. [Text] [Jakarta ANTARA NEWS BULLETIN in English 28 Apr 86 p A8]
/9274

PRC BUYS INDONESIAN OIL--Hongkong, 28 Apr (ANTARA-Reuter)--China has brought 1.5 million barrels of crude oil from Indonesia eight months after ending an 18-year lapse in direct trade, a subsidiary of Indonesia's state oil company Pertamina said today. A spokesman of Pertamina marketing said China purchased about 15 million US dollars worth of crude, described as a "test cargo" which could pave the way for more transactions between the two countries. The sale will be to China's national oil and chemical import and export corporation in three shipments. The first of about 400,000 barrels was loaded last week and the rest will be shipped this month, the spokesman said. Indonesia, which froze diplomatic ties and direct trade with China in 1967 following an abortive communist coup, renewed commercial ties last August. [Text] [Jakarta ANTARA NEWS BULLETIN in English 29 Apr 86 p A7] /9274

FRG DEVELOPMENT GRANT--Padang, 29 Apr (ANTARA)--West Germany has agreed to provide an additional grant to a local government program in Pesaman Barat, West Sumatera which amounted to some 13 million Deutsche marks or about Rp. 6.5 billion. The agreement was signed here Monday respectively by the German Technical Company (Deutsche Gesellschaft fur Technische Zusammenarbeit-GTZ) and the Indonesian ministry of home affairs. The DM 13 million grant will be used for the continuation of the third phase of the regional development programme. The fourth phase will include small-scale industry of development and family planning programme as well as a project on environmental development. Meanwhile, the previous third phase includes programme on management, regional development planning, food crops, fishermen's income, and cooperatives. The first three phases of the programme cost Rp. 19.5 billion covered by the West German donation. [Text] [Jakarta ANTARA NEWS BULLETIN in English 30 Apr 86 p A7] /9274

NEW NAVAL COMMANDERS--Armed Forces Commander General Murdani presided over a ceremony installing three new naval commanders in Surabaya on 3 May. They are Vice Admiral Mohamed Arifin as new commander of the Eastern Region Fleet, Rear Admiral Iman Taufiq as new commander of the Western Region Fleet, and Vice Admiral Herman Joseph Wagiman as new commander of the Navy Seaborne Command. [Summary] [Jakarta KOMPAS in Indonesian 5 May 86 p 12 BK]

EMBASSY IN ZIMBABWE--Indonesia will open an embassy in the Zimbabwe capital of Harare in the near future. Nana Sutresna, director general of political affairs of the Foreign Affairs Department, is making preparations for the opening. This was stated by Foreign Minister Mokhtar Kusumaatmaja to newsmen after calling on President Suharto at the latter's residence on Cendana Street today. The foreign minister reported to President Suharto on Indonesia's preparations for the upcoming nonaligned summit in the Zimbabwe capital in August. Meanwhile, an Indonesian envoy will visit several African countries to explain the incorporation of East Timor into Indonesian territory. According to Minister Mokhtar Kusumaatmaja, the explanation to the seven African countries are intended to help them to have a better understanding of the East Timor issue so that they can support Indonesia on the issue at the United Nations. He said that more countries are now supporting Indonesia on the East Timor issue. [Text] [Jakarta Domestic Service in Indonesia 1200 GMT 14 May 86 BK]

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CSO: 4213/144

THIRD WORLD SCHOLARS, STATESMEN CRITICIZE WEST

BK081435 Kuala Lumpur BERNAMA in English 1406 CMT 8 May 86

[Text] Kuala Lumpur, 8 May (BERNAMA ES)--Third World scholars and statesmen today voiced deep concern over the unusual and disturbing economic woes facing the South and strongly criticized the West for causing some of the problems.

In a strongly-worded statement issued at the end of their four-day summit here, they said the persistent high real interest rates, volatile exchange rate, balance of payments deficits and growing protectionism had crippled the Third World economies.

Another major problem is the collapse in commodity prices, the severe effects of which extend beyond the highly commodity dependent low-income countries, they said. Furthermore, the sharp decline in inflows of private finance together with huge interest payments continue to result in large net outflows of resources from developing nations, they added.

"We are particularly concerned about the least developed countries. Even depressed sub-Saharan economies which are experiencing chronic food shortages and declining living standards face a steep decline in net resource transfers."

A further blow is the fall in oil prices, and the benefits to oil importers are more than offset by losses of oil exporters. They also said at a time when poor nations are making great efforts to adjust their economies, the rising reliance on the private provision of liquidity is proving to be unrealistic given the sharp decline in private commercial flows to poor nations.

National aid agencies and multilateral financial bodies are being increasingly used to influence the policies and priorities of poor nations in need of financial help. They also spoke of an evident retreat on many fronts from international cooperation.

"There is an increasing emphasis on notions of power, dominance and control. The South is faced with a profound challenge to its capacity for self-determination."

They also claimed that the climate for a genuine North-South dialogue remained unpropitious--it has even deteriorated.

Policies are being increasingly imposed on the South both nationally and internationally and the global process of dialogues is being eroded. They warned that the danger of many, if not most poor nations, having to succumb to the rising stresses on their economies is now real, if not imminent.

As such they could not afford to lose any time in embarking on a comprehensive process of self-assessment and of reappraisal with a view to ensuring that their destiny rests in their own hands and is not left at the mercy of events beyond their control.

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CSO: 4200/1022

PAPER REPORTS ON ECONOMIC TALKS BETWEEN ASEAN, U.S.

BK091803 Kuala Lumpur BERNAMA in English 1433 GMT 9 May 86

[Report by A. Karim Shukor]

[Text] Singapore, 9 May (OANA-BERNAMA)--ASEAN and the United States Friday agreed that there is a need for full application of the General Agreement on Trade and Tariff (GATT) discipline to trade in agriculture to reduce distortion.

This is also to allow trade in agriculture to better reflect comparative advantage and free market forces. This is stated in a joint press statement issued Friday evening after a 2-day ASEAN-U.S. dialogue here.

It added that the U.S. side recognised ASEAN's concern with the effects of depressed commodity prices, but observed that international commodity agreements generally had failed to stabilise prices or to serve the long-term interest of commodity producers.

The statement, however, said that the American side affirmed that it is continuing its participation in renegotiations of the international natural rubber agreement and in the international coffee agreement.

During the dialogue the ASEAN side urged all the developed countries to play a constructive role in promoting increased cooperation between producers and consumers to arrest the decline in commodity prices.

ASEAN also told the U.S. delegation the need for medium and long term policies on energy market stability and the determination of a fair price oil.

The U.S. side, however, said that low oil prices would, on the whole, benefit the world economy and felt that oil prices would be determined by market forces.

On ASEAN's concern with the proliferation of trade legislations pending in the U.S. Congress which is more of the protectionist policy, the U.S. side confirmed that the Reagan administration would continue to oppose the extension of the manufacturing clause.

The statement said that the U.S. side also affirmed that it favours active American direct private investment in ASEAN and indicated that a number of programmes were available for this purpose.

The U.S. side was encouraged by steps taken recently by the ASEAN governments to improve the regulatory and legal climate for foreign investment.

Both sides further noted that development cooperation had been gradually broadened in sectoral scope to cover various fields and human resources had been given new impetus under the dialogue.

The United States announced its plans to institute a human resources development project, planned at U.S.\$18 million over the next several years, under which Washington will be able to fund several new development project proposals.

The United States also presented a proposal for establishment of a joint ASEAN-U.S. computerised data exchange which would support trade liberalization efforts between ASEAN and the United States whether in a multi-lateral or regional setting.

The statement said that ASEAN agreed to review the feasibility of any such undertaking at the June meeting of the ASEAN committee on trade and tourism.

During the dialogue they also agreed that close contacts be established between the private sector and the respective government agencies for the identification of new areas of cooperation as well as for the expeditious implementation of cooperative projects.

On the question of liberalising two-way trade between ASEAN and the United States through ASEAN-U.S. initiative, the U.S. side said that work on free trade agreement with Canada would preclude active negotiations with ASEAN for the time being.

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CSO: 4200/1060

FINNISH TRADE MINISTER LAINE, DELEGATION BEGIN VISIT

Laine Meets With Rithauddeen

BK141514 Kuala Lumpur Domestic Service in Malay 1230 GMT 14 May 86

[Text] Finland is interested in setting up resources-based joint venture projects in Malaysia, especially in producing plywood from local timber. Foreign Minister Tengku Ahmad Rithauddeen said today that Finland, which has the new technology to produce the popular type of plywood, is even prepared to market the plywood for Malaysia. He was speaking to reporters after receiving visiting Finnish foreign trade minister, Mr Jermu Laine, at Wisma Putra [Ministry of Foreign Affairs] in Kuala Lumpur.

Tengku Rithauddeen said that Mr Laine had told him that a particular brand of plywood produced by Finland was very popular in certain countries. During the meeting, the two ministers also discussed potential areas of Finnish joint ventures in Malaysia. Tengku Rithauddeen said he suggested that Mr Laine look into setting up other projects utilizing Malaysian raw materials to cater for both local and regional markets.

Mr Laine also raised Finland's proposal to act as a depot for redistribution of Malaysian products to other Scandinavian countries.

Talks With Razaleigh

BK140705 Kuala Lumpur International Service in English 0600 GMT 14 May 86

[Text] The Ministry of Trade and Industry has approved application from assemblers of Japanese cars for a reduction in prices. The minister, Tengku Razaleigh Hamzah, disclosed that the approval was given a week ago. He was speaking to newsmen in Kuala Lumpur after meeting with Finnish Minister of Foreign Trade Mr Jermu Laine and his delegation. At the meeting he urged Finland to buy rubber and palm oil directly from Malaysia instead of going through third countries. He also called on Finland to invest more in this country, especially through joint ventures with Malaysian partners.

Tengku Razaleigh said that he and Mr Laine agreed on the need to increase trade between the two countries which amounted to 75 million ringgit or 0.11 percent of the total Malaysian trade. Among the Scandinavian countries, Finland ranks last as Malaysia's trading partner.

Talks On Oil Industry Prospects

BK150635 Kuala Lumpur BERNAMA in English 0524 GMT 15 May 86

[Text] Kuala Lumpur, 15 May (BERNAMA) -- A visiting Finnish trade delegation met top officials of the National Oil Corporation (Petronas) here Thursday morning with discussions being centered mostly on investment prospects in Malaysia's oil industry.

The team, led by Finnish Foreign Trade Minister Jermu Laine, was briefed on Petronas's role and future plans as well as opportunities available to foreign oil contractors and product suppliers.

Petronas President Abdullah Salleh, who gave the briefing, also invited Finnish oil-related firms to invest in Malaysia.

He told BERNAMA later that the visit had enabled Petronas to establish contacts with Finland. "So far, there has been little or no contact at all with them," he said.

He said Finland was keen to supply goods and services to Malaysia's oil industry.

Among the products listed out were steel pipes, electrical appliances, chemicals and engineering services.

/12929

CS0: 4200/1031

SECURITY FORCES KILL 4 COMMUNISTS IN PAHANG

BK151047 Kuala Lumpur BERNAMA in English 1016 GMT 15 May 86

[Text] Kuantan, 15 May (BERNAMA) -- Malaysian security forces shot dead four communist terrorists (CT), two of them women, and seized weapons including four carbines in Temerloh District in the northeastern Pahang State last Saturday [May 10].

Pahang Chief Minister Mohamed Najib Razak said Thursday one of the four CT' was the head of a communist armed working group operating actively in the Temerloh, Jerantut and Lipis Districts in the state. He had been identified as Ah Au Suk, 40, and was believed to have originally been from Batu Balai, Jerantut.

Najib, who is also state operations director, was however unable to provide more details of the other three CT's, except saying that they were in the 30-40 age group. He told a press conference here the CT's were killed in a clash between security forces and a five-member CT group, believed from the outlawed Communist Party of Malay's sixth assault unit, in the Lanchang forest area near Temerloh.

The chief minister said security forces carrying out an operation encountered the group at about 8:20 p.m. There was an exchange of fire for several minutes, ending with the killing of four CT's.

The fifth CT, believed to be a woman, managed to escape during the shooting. The security forces did not suffer any casualty.

Najib said the security forces recovered four carbines, 397 rounds of ammunition, 15 ammunition magazines, two booby traps, six detonators, two compasses, four hand grenades and other equipment. A hunt has been launched for the surviving CT.

The success is the second for the security forces this year, the first being in March when they shot dead a woman CT and seized an assortment of weapons including a carbine in the Lintang forest reserve in Bentong District. Najib said the killing of the four CT's was also the highest kill by security forces since 1979 when they shot dead eight CT's in Bentong District. He estimated there to be about 97 communist terrorists still active in Pahang.

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CSO: 4200/1032

BRIEFS

TALKS WITH MAHATHIR--Sabah Chief Minister Datuk Joseph Pairin Kitingan has said Prime Minister Datuk Sri Dr Mahathir Mohamed did not respond negatively to his state government's proposal to amend the state constitution to compel assemblymen elected on the ticket of one party to vacate their seats [words indistinct]. He said he had discussed his Parti Bersatu Sabah [PBS] government [words indistinct] constitutional amendment with Datuk Sri Dr Mahathir in Kuala Lumpur in a frank and friendly atmosphere. He was speaking to reporters on his return to Kota Kinabalu from the federal capital. Datuk Pairin said he also called on new Deputy Prime Minister Ghafar Baba. He said that in his meeting with Mr Ghafar, he did not bring up the question of the PBS application to join the National Front. [Text] [Kuala Lumpur International Service in English 0300 GMT 13 May 86 BK]

FINANCE MINISTER'S PURCHASE OF BANK--Kuala Lumpur, 14 May (BERNAMA)--Bank Negara (central bank) Governor Jaffar Hussein clarified Wednesday that the purchase of shares in United Malayan Banking Corporation (UMBC) by family-owned companies of Malaysian Finance Minister Daim Zainuddin was approved by the cabinet. He said Daim himself did not approve the transaction. "The minister was never at any stage involved in the process of approval which was done strictly in accordance with proper and established procedures," Jaffar said in a two-sentence statement. He said the statement was issued in response to recent press reports alleging the involvement of Daim in the transaction. The April 30 issue of ASIAN WALL STREET JOURNAL front paged a lengthy report on the UMBC deal. Daim acquired a 40.7 percent stake in UMBC in 1984 through two family-owned companies from Multi-Purpose Holdings Ltd by exchanging his 51 percent interest in Malaysian French Bank Ltd plus 125 million ringgit (about U.S. \$49 million) cash. [Text] [Kuala Lumpur BERNAMA in English 1340 GMT 14 May 86 BK]

ILLEGAL IMMIGRANTS ARRESTED--Kuching, Malaysia, 15 May (BERNAMA)--Sarawak marine police arrested 87 Indonesian illegal immigrants in an operation conducted from May 5 to 12. Sarawak Marine Police Chief Supt Abang Hussaini Abang Ikhwan told reporters in this capital of the east Malaysian Sarawak state Thursday the arrest was the biggest so far. During the whole of last year, marine police arrested 131 illegal immigrants, 97 from Indonesia and the rest from Thailand, in several operations. Supt Abang Hussaini said the arrest made this year involved the Kampung Buntal coastal area, Kampung Nersan, Kampung Silang and the Pantai Damai picnic area. He urged residents

in the areas not to help illegal immigrants as this would later lead to various security and social problems. He said those sheltering illegal immigrants could be charged under the Immigration Act and be liable to a fine of not more than 2,000 ringgit (about U.S. \$784) or imprisonment not more than six months or both. [Text] [Kuala Lumpur BERNAMA in English 1246 GMT 15 May 86 BK]

OFFICIALS DISMISS RADIATION FEAR--Kuala Lumpur, 15 May (OANA-BERNAMA)--The Soviet Embassy here assured Thursday that items exported from the USSR to Malaysia have not been exposed to radioactive contamination following the nuclear meltdown in Chernobyl. The Soviet authorities check all goods before they are exported, Soviet Embassy counsellor Victor V. Ivanor told a press conference. He said that Malaysia's imports were mainly machinery, fertilizers and medicine. He said the radiation effects from the nuclear accident at the Chernobyl plant had been blown out of proportion, causing concern to importers of Soviet products. In fact, he said, adverse reports on the incident had led many countries, especially those in northern Europe, into believing that the radiation had spread to other places. However, Ivanor said, the radiation leak was confined to the vicinity of the plant. On reports that radiation has been traced in other parts of the world such as Japan and the Philippines, Ivanor said it could have been due to the radioactive waste disseminated by nuclear installations in these countries. [Text] [Kuala Lumpur BERNAMA in English 1200 GMT 15 May 86 BK]

ZAINUDDIN MEETS MALI COUNTERPART--Malaysia will study the possibility of providing technical assistance to Mali in mineral exploration. This was disclosed today by the minister of finance, Mr Daim Zainuddin, after a meeting with his Mali counterpart, Mr Daikite, in Kuala Lumpur. Mr Daim told Radio Television Malaysia in an interview after the meeting that the Malaysian mining corporation could make a feasibility study by going to Mali for exploration on a joint venture. He feels the private sector can also look into the possibility of oil exploration in Mali. Mali is keen to buy Malaysia's palm oil, rubber, and manufactured goods. Mr Daim suggested that the facilities of the Islamic Development Bank could be utilized for two-way trade between Malaysia and Mali. Mr Daim later met the governor of the People's Bank of China, Madam Chen Muhua, who is on an official visit to Malaysia. The finance minister expects more trade between Malaysia and China following his recent visit to Beijing. He says China is keen to have joint ventures in the construction of ports, highways, and airports with Malaysia in the republic. [Text] [Kuala Lumpur International Service in English 0600 GMT 9 May 86 BK]

NO RADIATION ON SOVIET SHIPS--Kuala Lumpur, 18 May (OANA-BERNAMA)--No traces of radiation were found on two Soviet vessels which were quarantined at Port Kelang near here on Saturday for checks on radioactive contamination, port health chief Dr K. Dharmaratnam said Sunday. Inspection was carried out by a team of health officers on various samples taken from the vessels, he said. Dr Dharmaratnam said the skippers of the vessels had also produced the manifest to the health authority to show that they left the Soviet Union before the Chernobyl nuclear plant disaster. Meanwhile, the agent for the two ships--Yulena Syasova and K.V. Ushakov--Wah Soon Co. Ltd., said the vessels were laden with tiles. He said that there were no foodstuffs on the vessels. [Text] [Kuala Lumpur BERNAMA in English 0730 GMT 18 May 86] /9604

MALIAN TRADE MINISTER--Kuala Lumpur, 8 May (BERNAMA ES)--Malaysia hopes to establish trade ties with Mali not only to widen its export market but also as a base to penetrate the African market, Trade and Industry Minister Tengku Razaleigh Hamzah said today. Speaking to reporters after meeting the Mali Minister of Trade and Finance Mr Dianka Kaba Diakite at his office here, Tengku Razaleigh said economic cooperation between the two countries will also enable Malaysia to transfer its technology which can assist in Mali's development programmes. Mr Diakite is heading a 14-member trade mission from the African nation for a week-long visit to Malaysia. "Although at the moment both countries have yet to establish bilateral trade relations, the potentials are there," Tengku Razaleigh added. Mali with a population of 7.28 million is a member of West African Economic Community (ECOWAS) and can provide a base for Malaysia to break into the African market, he added. But Tengku Razaleigh said no bilateral trade has occurred between both countries so far mainly because of their geographical distance as well as the language barrier, as Malians speak French and not English as their foreign language. [Excerpt] [Kuala Lumpur BERNAMA in English 1310 GMT 8 May 86 BK] /12913

ENVOY BEGINS 5-DAY VISIT--Mr Ahmad Sharif Muhammad, a special representative of Libyan leader Colonel Mu'ammarr al-Qadhafi, arrived in Kuala Lumpur today to begin a five day visit to Malaysia. Mr Ahmad Sharif, accompanied by a three man delegation, was met at the airport in Subang by Wisma Putera [Foreign Ministry] Undersecretary for West Asia and the Organization of Islamic Conference Wan Hussein Wan Mustafa and Secretary of the Libyan People's Bureau in Malaysia Mr (Ahmad Muhammad Fahmi). Mr Ahmad Sharif is scheduled to meet Foreign Minister Tengku Ahmad Rithauddeen on Monday and Prime Minister Datuk Sri Dr Mahathir Mohamed on Tuesday. He is also scheduled to visit Pulau Pinang before leaving for home on Thursday. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 10 May 86 BK] /12913

VIETNAMESE ILLEGAL IMMIGRANTS--About 8,000 Vietnamese illegal immigrants are still at the Bidong Island camp, off Kuala Terengganu in the east coast of peninsular Malaysia, awaiting resettlement. The monthly publication of the UN High Commissioner for Refugees also disclosed that about 2,000 refugees had been on the island for more than two years. It said that in 1985, Australia resettled over 2,000, Canada 939, and the United States 781. Although some 4,000 people were resettled abroad in 1985, the number of new arrivals was over 7,000 during the said period. [Summary] [Kuala Lumpur International Service in English 0800 GMT 7 May 86 BK] /12913

INDONESIAN ILLEGAL IMMIGRANTS--Johor Baharu, Malaysia, 8 May (BERNAMA)--Seven hundred and one Indonesia illegal immigrants were rounded up in a pre-dawn check on eight construction sites in this capital of the southern Johor State Thursday, a Home Ministry spokesman said. He said the four hour operation, involving 400 immigration and police personnel, started at 03:00 MST [Malaysian Standard Time]. The immigrants, including two children under 12 and 10 women, were taken to the Larkin police station where they were fed before being deported at 15:00 MST Thursday. The spokesman said the operation was carried out following information received from the public. He stressed that action would be taken against the employers if it was found they had harboured the immigrants or abetted in bringing them in. The spokesman said the immigration department would continue to detect and deport illegal immigrants in the country. The operation was the second of its kind this year. In April, the authorities arrested and deported 859 Indonesian illegal immigrants from five oil palm plantations in Rompin, Pahang. [Text] [Kuala Lumpur BERNAMA in English 1104 GMT 8 May 86 BK] /12913

JOINT PROJECTS WITH FINLAND--Following his meeting with the visiting Finnish minister of foreign trade in Kuala Lumpur 14 May, Works Minister Samy Vellu told newsmen that Finland has agreed to cooperate with Malaysia in the implementation of some of the projects under the Works Ministry. One of the projects which had been identified to seek Finnish assistance is the water supply scheme in the Federal Territory. [Summary] [Kuala Lumpur Domestic Service in English 1130 GMT 14 May 86] /9604

CS0: 4200/1060

EDITORIAL COMMENTS ON SHULTZ VISIT, OUTLOOK ON PROBLEMS

HK131018 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 10 May 86 p 4

[Editorial: "Message From Shultz"]

[Text] It is too early to determine whether the "cobwebs of doubts," to borrow from Vice President Laurel, surrounding RP-U.S. relations have been cleared with the visit of Secretary of State George Shultz.

But at the very latest, the alter ego of Ronald Reagan had gotten an earful from both the Aquino government and present and former supporters of former President Marcos. And Shultz, in turn, has not exactly been unstinting in his advice to both camps.

On the request for more aid, the rhetorics were aplenty, but the bottom line is that the Philippines, according to Shultz, should concentrate on clearing the roadblocks to full economic recovery, not on asking for more dollars from the U.S. The Congress, Shultz said, is threatening to make deep cuts in foreign aid; therefore, the Philippines cannot expect to get "new money."

As for the opposition, Shultz, according to former Labor Minister Blas Ople, "spoke strongly of the American point of view concerning the need to preserve stability in the Philippines and he put that very strongly in terms of the constructive role that the opposition can play at this time."

In other words, Shultz reminded his hosts that the task of rebuilding the country goes beyond asking for more dollars, and that it will be Filipinos themselves who will have to bear the yoke.

In short, there is a time for doing one's own homework, of sorting out priorities, before we can expect more than just those "sympathetic noises," to borrow from Economic Planning Minister Solita Monsod.

One cannot fault Shultz with double-talk. Some may even interpret his unsolicited advice as either meddling or a confirmation of how we have not really learned the true meaning of independence. But however one looks at it, there is indeed a crying need to attend to the country's pressing problems, to look beyond the issues or personalities which are now splitting people, exacerbating differences, and which, in the long run, only serve to dissipate precious time and effort.

COLUMNIST ANALYZES IMPACT OF SHULTZ' REMARKS

HK141013 Manila THE NEWS HERALD in English 13 May 86 p 4

["Matter of Principle" column by Teddy Owen: "The Shultz Advice"]

[Excerpt] U.S. Secretary of State George Shultz' view that deposed President Marcos should be allowed to broadcast his political ideas to the Filipino people may be either misinterpreted or misunderstood by many of our countrymen. But the fact is the Shultz statement is basic to any American.

"Everyone can do this in the United States," he said, referring to the total freedom of the press and of speech in his country, something many Filipinos may find hard to understand even today.

To the rabid supporter of President Corazon C. Aquino, however, the Shultz statement may be, to say the least, incendiary and even derogatory. They may find it hard to believe that the man who had been deposed by a popular revolution in Metro Manila should still be permitted to make inflammatory statements to his followers. They would argue that the Marcos statements should be banned because they could destabilize the government. Finally, they would insist that under a "revolutionary government," the Aquino administration can ban all Marcos views from being heard or printed.

This could be the misunderstood part of the U.S. secretary's statement.

On the other hand, the rabid supporters of deposed President Marcos (and he still has many) would feel that by reading between the lines of the former President's statements, they see a light at the end of the tunnel--his return to the country and his resumption of office. They would feel that the President is egging them on to agitate and condemn the new government with the primary purpose of toppling eventually the Aquino government. They could also feel that the Shultz statement was made in support of Mr Marcos and his political views.

These would be a misinterpretation of the U.S. secretary's statement.

What should be clearly understood by the Filipino people is that while Shultz reaffirmed the U.S. Government's recognition of the Aquino administration, he was quietly informing the government that the road back to democracy would require a full restoration of a free society and all the basic rights that go with it. This includes even the political statements of deposed President Marcos.

If, again, President Aquino pledged to restore all the basic individual rights of the Filipino people under a Bill of Rights, then there should be no argument over the matter.

But the big question remains: If Proclamation No 3 abolished the 1973 Constitution, including the Batasang Pambansa and the office of the Prime Minister, and if the proclamation placed into the hands of one person all powers, how long would a Bill of Rights be enforced if the governing authority finds itself more and more pressed by deepening problems, compounded by increased criticisms through the media here and abroad?

President Aquino understands the American way of life and thinking. She not only studied in the U.S. for several years but also was in exile in that country with her husband, the late Senator Benigno S. Aquino Jr. for three years. In those years in the U.S. she must have gained a deep insight into American politics and freedom of the press.

In this country, she owes to a "strong alternative press" the support openly given her during the dying years of the Marcos regime. It was the "alternative press" that gave to the Filipino people all they wanted to know about her, all there was to know about her thoughts and what she hoped to do. Fortunately for all of us, she pledged to uphold press freedom and free speech.

But there are now voices among her supporters, voices which advise a backtracking of her earlier pledge of press freedom and freedom of expression. They are fearful of what could happen if press freedom remains untrammelled and free.

The recent sequestration of the "crony press"--the NEWS HERALD, the NEW DAILY EXPRESS and the MANILA BULLETIN--are signs of a possible change although Mrs Mary Concepcion Bautista of the commission on good government maintains that editorial policies will not be touched. Yet one cannot remove from the mind that sequestration in itself is a form of pressure brought to bear on the media. What if the sequestered newspaper continues to report negative stories which hurt the administration? Would there be a quiet warning, a subtle threat of some kind, perhaps in the form of an advice?

It is possible that Secretary Shultz was expressing a kindly thought to the new government of President Aquino and urging it to open wide its doors to a free exchange of ideas. This is what he could have meant when he said that even Mr Marcos should be allowed to make political statements from Hawaii to the Philippines.

Obviously, Shultz believes that in the long run, the ideas of Mrs Aquino would prevail over those of Mr Marcos to ensure the continuation of her government, which after all still has a great deal more credibility over that of Marcos despite some 'boners.'

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CSO: 4200/1029

AQUINO 'DISAPPOINTED' OVER UNAUTHORIZED ANNOUNCEMENTS

Quezon City ANG PAHAYAGANG MALAYA in English 17 Apr 86 pp 1, 6

[Article by Joel Paredes]

[Excerpt] President Aquino has been disappointed over the way some of her Cabinet ministers contradicted or interpreted her official policies just to satisfy their "political interest," Malacanang insiders said.

Highly-placed palace sources confirmed yesterday that Mrs Aquino was alarmed over recent announcements by her ministers on her purported "policies" which in turn were either contradictory or rejected by the President.

A case is that of Political Affairs Minister Antonio Cuenco who was reportedly "gently reminded" by the President for announcing the November polls, although it was the President's view that such an announcement was premature, they noted.

The President herself indicated in a television interview last week that if there was something the Cabinet officials would say "which will affect the national policy, then please let me know ahead of time so we can talk about it."

The President stressed that she had been reminding some members of her Cabinet who were "overzealous" to disclose their ideas.

"But I always reminded them that they should always remember that their statements should not violate the policies of our government," she said in the interview.

Malacanang observers also noted that Mrs Aquino had always been cautious over a possible rift between rival pro-administration United Nationalist Democratic Organization (Unido) and PDP-Laban.

Press reports said the rift between the two political parties was sparked by alleged "partisan" appointments of local officials by Local Governments Minister Aquilino Pimentel, a PDP-Laban stalwart.

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CSO: 4200/1064

DAVAO COLUMNIST ON GOVERNMENT'S PROSPECTS OF SURVIVAL

HK151345 Davao City MINDANAO MIRROR-BULLETIN in English 5-11 May 86 p 2

[Column by Gil M. Abarico: "Give a Chance to New Government"]

[Text] The vast majority of Filipinos are neither Marcos loyalist nor Cory fanatics. They simply want to live in peace, to earn their living and to aspire for the simple conveniences of a progressive society. Alas, the present scenario in this country does not allow them the luxury of even their basic desire to be left in peace. What they cannot understand is that some sectors proclaim their call for reconciliation but follow it up with acts of hate and vindictiveness. The rhetoric of reconciliation sounds with a hollow ring and what prevails is the reality of division and dissension.

From the north to the south, the unmistakable signs of national division are being raised in protest against the hypocrisy of those who proclaim unity but provoke reverse reactions. What surprises or even shocks naive observers is the intensity and prevalence of protests in so short a time that a new government has ascended to the seat of power. So soon will there be a gathering storm? We hope not.

The most logical thing for all Filipinos should be to rally behind a new national leadership or at least give it a chance to solve the multifarious problems confronting the nation. It should be a time for unity and cooperation, forgetting or setting aside the ruinous factionalism that has hounded our country since the birth of freedom. But no, it seems that fate should dictate otherwise--for barely two months since its rise to power behind the so-called EDSA [Epifano de los Santos Avenue] revolt, the new government is now beset with enormous problems, from the left to the right, from the north to the south--discordant voices are heard.

In the face of all these preoccupations of the new national government with problems of rising insurgency and a weakened economy, it is tragic that many of its supposedly responsible ministers are instead going on their merry way to inflict more injury on the precarious structure of unity--not by upholding great principles but simply by adhering to selfish partisan or personal purposes, such as disturbing the tranquility of even remote communities by replacing popularity elected officials with personalities of their own choice, without even going thru the motions of consultations.

If this government eventually collapses, it will not be due to the violence of misguided Marcos loyalists or even due to the communists and secessionists. That would be giving them too much credit, because Filipinos are basically against violence, fundamentally God-fearing and truly patriotic and therefore will not fall easy prey to the blandishments of extremists. But if ever this government collapses, it will collapse by its own weight, through its own blunders and because of an apparent self-destruct mechanism implanted in the subconscious of many of those elevated to the status of demi-gods in the present regime.

The Marcos dictatorship is dead but it seems that those it once enslaved are destined to repeat the mistakes of a fallen tyranny. He who sows the wind shall reap the whirlwind?

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CSO: 4200/1029

PDP-LABAN INFLUENCE IN GOVERNMENT NOTED

HK131114 Quezon City BUSINESS DAY in English 12 May 86 p 6

[By Raissa Lamson Espinosa]

[Text] Whether by accident or design, the three ministries with direct links to the masses are run by PDP-LABAN [Pilipino Democratic Party-Lakas ng Bayan] members: Augusto Sanchez for labor, Aquilino Pimentel Jr. for local governments and Ramon Mitra for agriculture and food. All three have created a whirl of controversy around them.

The extent of PDP-LABAN's influence in government policy-making cannot yet be ascertained. President Aquino herself cautioned Sanchez in his antimultinational and foreign investment statements but also upheld the labor minister's belief in the right of all workers to unionize.

What is apparent at this point is that this ideologically-based party has a strong voice in the coalition government. And those members in position are now trying to practice and persuade others to follow their shared ideology of a nationalist Christian democratic socialism.

Besides the three ministers, others in government are Metro Manila officer-in-charge Joey Lina Jr., Makati acting mayor Jejomar Binay, Quezon City acting mayor Brigido Simon Jr. and Commission on Audit chairman Teofisto Guingona. Binay told BUSINESS DAY that even presidential spokesman Rene Saguisag and executive secretary Joker Arroyo are party members.

The party's secretary-general is Aquino's younger brother Jose Cojuangco and the founder of its LABAN wing was Aquino's late husband, Benigno Jr. who labelled himself a Christian socialist.

Which is more valuable, a crippled old man or a beautiful, expensive new car? Prospective party members are told in a seminar that the car is important but the man's value "far exceeds that of the car" because man, "the masterpiece of God the Father," and "His partner in the liberation of humanity and in the building of His Kingdom here on earth" has a "basic innate value that puts him above all other creation."

This basic belief that every member first has to swear to, is tied up with nationalism, humanism, political (participatory) democracy and democratic socialism (which states that all economic power must rest in the hands of the people; talents and ownership are mere stewardships for the society and state's well-being; profit is subservient to the following: the total development of the human [word indistinct] societal property and equitable share for all in the national wealth).

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CSO: 4200/1029

VIRATA CLAIMS NEW ECONOMIC PROGRAM LIKE OLD

HK131020 Quezon City BUSINESS DAY in English 12 May 86 p 2

[Text] The Aquino government's economic program is basically the 1983 program of the previous government, former prime minister Cesar Virata said last Friday.

Although Virata did not go into details in comparing the 1983 program and the Aquino government's economic program, he was clearly referring to the so-called economic adjustment program the Finance Ministry and the Central Bank (CB) had worked out with the International Monetary Fund (IMF) and the World Bank as conditions for these two institutions' support. Among the major elements of this program that clearly were adopted by the new government's economic officials are the emphasis on agricultural development, the lifting of tariff protection for industry, and the move toward allowing market forces to determine economic efficiency.

In an informal talk with local and foreign journalists last Friday, the former prime minister said he told deposed president Marcos by telephone that he wanted to resign from his government posts. Virata disclosed that Marcos responded by dropping a veiled threat. "He told me that if I wanted to resign I shouldn't do it now or I might be included in the conspiracy," he said. A close colleague of Virata claimed that during the four days of the military-backed uprising, Virata chose to be on the move in his car to avoid being required by Marcos to be present in his inauguration as president.

Virata also related that the last time he and CB Governor Jose B. Fernandez Jr asked for an audience with Marcos was when they discovered that a presidential decree had been issued, apparently engineered by Eduardo Cojuangco, requiring the CB to replenish whatever decrease in deposits, foreign exchange and reserves incurred by banks which were hit by the boycott call of the opposition then. "We managed to convince the president to recall the decree after we explained to him that this was prohibited by the CB charter."

Virata last Friday explained that political factors had blocked the government plan then to merge the Philippine National Bank (PNB) and the Development Bank of the Philippines (DBP). "After separating the bad debts of DBP there was really no point in allowing it to exist separately since nothing would be left," he said. Virata disclosed that the wife of former presidential advisor

on legal affairs Manuel M. Lazaro, who was an official of the DBP employees' association, had lobbied in Malacanang to block the PNB-DBP merger.

The former prime minister said the Finance Ministry and the CB discovered the extent of the mess involving the foreign debt of Asian Reliability Co. Inc. (ARCI) only after Credit Suisse First Boston, which headed the \$25 million loan syndication for ARCI, provided them with documents which showed that ARCI had been able to get an advance from Credit Suisse on the basis of a guarantee issued by the Philippine Export and Foreign Loan Guarantee Corp (Philguarantee). "But the guarantee was completely fake," Virata claimed.

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CS0: 4200/1029

CABINET MEETING VIEWS CONTINUING DOLLAR-SALTING

HK140947 Hong Kong AFP in English 0940 GMT 14 May 86

[Text] Manila, May 14 (AFP)--The new government is upset over official reports that some wealthy Filipinos continue to illegally stash dollar holdings abroad and is considering incentives to attract the much-needed money home, an official said here Wednesday.

Cabinet spokesman Filgenico Factoran told a news conference that the practice, officially called "dollar salting" here, was the "most lengthily discussed" topic at the cabinet meeting chaired Wednesday by President Corazon Aquino.

The dollar salting levels were not mentioned, the official said, but "the cabinet was upset" by the reports. He said exporters were "one of the principal sources" of the practice.

Asked [word indistinct] the reasons for continued dollar salting, Mr Factoran said that "part of it is inertia" from the regime of deposed President Ferdinand Marcos.

He said some exporters were carrying on with their practice of undervaluing their exports in official declarations to the government so the undeclared part of the dollar earnings can be kept abroad.

The practice has deprived the country of much-needed capital as well as taxes on exporters' income. The past government estimated that hundreds of millions of dollars were salted away every year.

"It takes a little more effort to start declaring the true value of your exports," Mr Factoran said.

He added the cabinet consensus was that instead of "repressive measures" against salters, the government "should make it attractive for the Filipinos who have foreign exchange abroad to bring their capital back for use in the Philippines."

He said the ministers concerned were ordered to come up with proposed incentives.

Dollar salting escalated along with outright capital flight from the country during the troubled last years of rule by Mr Marcos, now in exile in Hawaii.

The ex-president is faced with lawsuits alleging that he illegally accumulated more than five billion dollars during his two-decade presidency and kept most of it abroad.

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CSO: 4200/1029

PCGG SEQUESTERS COMPANIES ALLEGEDLY OWNED BY MARCOS

Cojuangco's Interests in Pepsico Held

HK141611 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 14 May 86 pp 1, 3

[By Rodolfo V. Brul]

[Text] Now it's official.

Eduardo Cojuangco Jr., who controlled the local Coca-Cola through San Miguel Corp., was also in control of the firm bottling products of Pepsi-Cola, Coke's top competitor worldwide.

This surfaced yesterday when the Presidential Commission on Good Government (PCGG) bared it has sequestered Cojuangco's controlling interests in the Pepsi-Cola Distributors Inc., the country's franchise bottler of the American softdrink company.

PCGG insiders, however, said that although the sequestered shares of stocks of Challenge Corp. of the Philippines is owned in paper by Cojuangco, they belonged to former President Marcos in his efforts "to establish a soft drinks monopoly in the country."

Sources further said that Pepsico USA through its headman, Donald Kendall who came to Manila in 1983, with his close association with the Marcos family, was able to import softdrink bottles, a banned commodity, into the country tax-free.

The government reportedly lost more than \$35 million or P700 million in uncollected taxes and duties because of this favored relationship.

The sources also said that the government shelled out more than \$50 million or roughly P1 billion from the country's foreign exchange reserves in favor of this American multinational company.

The enterprise, it was learned, did not earn a single dollar from exports.

Meanwhile, the management of PLDT [Philippine Long Distance Telephone Company] will look into the reported harassment of PCGG task forces by PLDT company security guards, Commissioner Raul Daza said yesterday.

PLDT's assurance came in the wake of complaints by PCGG task forces in several PLDT offices who were barred by security guards to enter the company premises.

In one instance, at the PLDT Mandaluyong office, a task force volunteer was even pushed to the ground by the telephone firm's sentries.

PTIC, Prime Holdings, Inc Affected

BK150249 Manila PNA in English 0238 GMT 15 May 86

[Text] Manila, May 15 (PNA)--The Presidential Commission on Good Government (PCGG) has ordered the sequestration of Philippine Telecommunications Investment Corp. (PTIC) and Prime Holdings, Inc., which are allegedly owned by deposed President Marcos.

PCGG Commissioner Mary Concepcion Bautista, who issued the order, said Prime Holdings is owned by Rolando C. Capud, former president of Security Bank and Trust Company and widely known as a front man of the Marcoses in their various business interests.

Prime Holdings owns 46 percent of PTIC which in turn owns 26 percent of Philippine Long Distance Telephone Co., (PLDT).

Bautista said the PLDT management has apologized to the commission for barring its task force from entering PLDT's premises last May 12 and has allowed the task force to proceed with its job.

But, she said, that despite the apology, the commission has ordered plot to submit a written report to the commission within 48 hours to explain the barring incident. [as printed]

Bautista also said the commission has discovered that Vicor Entertainment Corp. headed by Vic Del Rosario has a 3.1 million U.S. dollar loan from the Development Bank of the Philippines [DBP].

The loan, which originally amounted to only 1.4 million dollars, was obtained by Vicor from DBP in 1980. The loan, however, was not fully secured. Only one-third of the amount of the loan was collateralized.

It was gathered that Vicor is 100 percent owned by the Cultural Center of the Philippines (CCP). CCP reportedly invested in Vicor using the flood tax collected from moviegoers.

The commission is also looking into the possibility that Del Rosario could have used the money of Vicor to finance the operations of Viva Films, a movie outfit which he also heads.

Vicor and Vica Films were earlier sequestered by the commission.

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CSO: 4200/1029

TRAVELLER REPORTS MARCOS STRUCTURES FIRMLY ENTRENCHED

Auckland THE NEW ZEALAND HERALD in English 9 Apr 86 p 12

[Text]

The Aquino regime in the Philippines is still a long way from wiping out the legacy of the disgraced Ferdinand Marcos, according to an Auckland man just back from a visit to the republic.

Mr Keith Locke, who spent three weeks in the Philippines, says the deposed president may be gone but the structures and power groupings he left are still firmly entrenched.

From talks with peasants and struggling villagers in communities hundreds of kilometres from the capital of Manila, Mr Locke said that it was clear the revolution which saw Marcos toppled by President Cory Aquino had not changed life one bit in the countryside.

For sugar workers, farm labourers and landless rural inhabitants the critical issue was control of their land and their destiny, Mr Locke said.

Rural workers earned \$3 a day on plantations and small plots but were tied by financial obligations to landlords.

Landlords had carved out positions of power and privilege under Marcos' rule and enforced their status through the Army and armed thugs, Mr Locke said.

If the democratic revolt signalled by the Aquino victory in Manila was to succeed throughout the scattered islands republic then land reform for the 70 per cent of Filipinos who lived in the country was vital.

"Marcos left a whole structure of dictatorship," Mr Locke said.

"The People's Power revolt has put the entrenched and wealthy interests on the defensive.

"The pressure is now on Cory Aquino to involve the rural organisations to extend the democratic steps into the country."

The reforms also would involve the New People's Army, a communist organisation which has forged close ties with impoverished villages in many areas.

Mr Locke said that the NPA protected some communities against armed attack by Government or paramilitary troops.

Mr Locke went to the republic at the invitation of a left-wing alliance newly active in the radically altered political climate there. He represented Philippines solidarity groups in New Zealand

which had been campaigning for social justice.

During his stay, Mr Locke said, he slept with impoverished peasants who lived in a "hand-to-mouth existence" and he had a two-hour session with the founder of the country's Communist Party, Mr Jose Maria Sison.

Mr Sison was freed last month by President Aquino after being detained in 1977.

Mr Locke also made contact with the Task Force of Detainees, a church-based group investigating activities against dissidents by Government forces.

The task force, which is represented on the newly established Philippines Human Rights Commission, estimated that nearly 2000 people were "salvaged" or murdered by troops or death squads between 1977 and 1986.

Mr Locke said that New Zealand groups would now initiate campaigns for the release of 577 political prisoners still held in Philippine jails.

He also expected calls for aid from New Zealand to be directed to areas where it was most needed.

MINISTRY TO 'EXORCISE' MARCOS VALUES FROM TEXTBOOKS

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 p 2

[Article by Carlos Hidalgo]

[Text] The Ministry of Education, Culture and Sports has prepared a series of teacher manuals to "exorcise" public elementary textbooks of contents that tend to indoctrinate school children of what are felt to be undesirable values and blind obedience to the fallen Marcos regime.

Minister Lourdes Quisumbing said the manuals, published by the foreign-assisted Instructional Materials Corp, will be used starting next school year to guide teachers on "what to teach, and how to teach" in view of the objectionable lessons contained in the textbooks.

She said her office had decided against destroying the questioned textbooks of the huge cost of their publication.

The textbooks, published under the Program for Decentralized Educational Development, contained lessons that tend "to deify some public officials, look down on our own culture, and foster preference for things foreign," Quisumbing said.

She said the teacher manuals were prepared after a "page-by-page" review of the school textbooks.

In a related development, Quisumbing urged the 13 MECS regional directors to liquidate the P50 million cash advances they had received since 1982 from the IMC.

If the cash advances remained unliquidated, Quisumbing said the distribution of the IMC textbooks for this school year would be imperiled, thus aggravating the already acute shortage of textbooks in the public school system.

Quisumbing, meanwhile, said she would not change the provisions of the controversial MECS Order 25 on tuition fee increases, pending a decision from the Supreme Court, where a case seeking to uphold the validity of a contradictory presidential directive has been filed.

As such, school expenses for SSS, Medicare, cost of living allowance, 13th month pay, retirement, janitorial and security guard salaries are chargeable to the 60 percent share of teachers and workers in tuition fee increases, Quisumbing said.

Under Presidential Decree 451, however, 60 percent of the incremental proceeds from tuition fees should be allocated for salary increases of teachers and non-teaching personnel.

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CSO: 4200/1064

PRESIDENT'S CHINESE 'RELATIVES' THANKED FOR VISIT, DONATION

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 p 4

[Editorial: The Chinese Connection"]

[Text]

What's in a name? Plenty (with apologies to Shakespeare), in the case of President Corazon Aquino, nee Cojuangco.

In answer to her expressed curiosity to the Cultural Attache of the People's Republic of China about her Chinese ancestral origin, the President was pleasantly surprised the other day when some 300 members of the Kho and Ko family association from 10 countries came to visit and trace her as a "very distant relative." It seems that, according to her visitors, Mrs. Aquino's ancestors were actually surnamed Kho before they elected to change their family name to Cojuangco, which is just as simple an explanation as any could be.

Nevertheless, this name-changing—or name adding—simply serves to focus attention on a segment of Philippine history which had not been given the importance it deserves. Historians have proved that even before the discovery of the country by the circumnavigator, Ferdinand Magellan,

the Chinese in their ubiquitous junks had been plying the waters separating the two countries to trade their silk and earthenware with local produce. The occasional discoveries of Chinese jade and porcelain from archeological diggings dating back to some almost forgotten dynasty in China attest to this commerce between the two nations, as the fair skinned, sloe-eyed natives could trace their ancestry to a tender rapport or a mixed marriage so remotely in time from the present as to defy any genealogical detective work. In fact, it might be in the nature of an educated guess to assume that the name-changing might have become a necessity, as in the case of a Juan and a Kho combination, for more acceptability among the clan.

The 80-year-old Kho and Ko association claims delegates from China, Singapore, HongKong, Taiwan, United States, Japan and Malaysia. It is a totally credible claim. Chinese immigration to other lands could have

dated back to pre-history to escape the wrath of their emperors or to seek greener pastures. A parallel case is happening in this country which our brother Filipinos left in droves to escape from the clutches of the Marcoses and seek better working opportunities in many parts of the globe.

The association donated to the government a certain amount of money as a token of their pledge of support to the Aquino administration, vowing at the same time to hold its annual congress in Manila. Coming from very distant relatives, it is a noble gesture. Against the importunings of closer relatives, the Chinese connection may turn out to be something we could be thankful for.

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CSO: 4200/1064

WORLD BANK INCREASES HOUSING SECTOR LOAN

HK151545 Quezon City BUSINESS DAY in English 15 May 86 pp 10, 11

[Text] The World Bank, which is offering a \$100-million shelter sector loan to the country, is considering increasing this amount to \$150 million, Teodoro K. Katigbak, special assistant for shelter, disclosed recently.

The additional \$50 million will be used to start up the housing sector and cover the immediate requirements of the National Home Mortgage Finance Corp. (NHMFC) and the National Housing Authority (NHA). The NHMFC currently has a backlog of at least P1.2 billion in mortgage takeouts representing housing loans of about 17,000 Pag-Ibig [mandatory deduction from pay for housing scheme] members. The NHA, on the other hand, has to service debts amounting to P405 million by yearend.

According to shelter officials, the World Bank considers the country as far advanced in its analysis of the required structural changes and policy reforms necessary to revitalize the shelter sector. The World Bank is thus using the shelter sector to test the effectivity of its funds in rationalizing Philippine industries.

However, the World Bank is reportedly apprehensive about the suspension of the Pag-Ibig Fund as announced by President Corazon Aquino last May 1 and advocated its retention in an Aide Memoire dated April 23, 1986.

The World Bank Aide Memoire stated that "the proposed sectoral reform package is dependent upon the continued existence of the Pag-Ibig Provident Fund. Pag-Ibig is currently the sole source of significant domestic financial support for the industry, and would constitute the principal instrument of integration for the sector bringing government production and financial agencies into a more compatible and synergistic relationship. If Pag-Ibig is lost to housing, no alternative local source of long-term finance is currently available and the housing finance system would disintegrate, leaving the entire sector solely dependent upon budgetary support. It is thus vital to the plan that the Pag-Ibig Fund must be preserved."

Shelter sector officials, meanwhile, said that without the Pag-Ibig Fund the shelter sector loan may not push through. In the proposed loan, the World Bank is prepared to treat the Pag-Ibig fund investment in mortgages as the required government counterpart.

On the other hand, World Bank loan critics said that the Pag-Ibig fund cannot just be used as the government's counterpart fund since the Pag-Ibig Fund is a private fund owned by its members. Approval from its members may be necessary before the government can use it as a counterpart fund for a foreign loan.

Shelter officials said, however, that using the Pag-Ibig Fund would not entail the actual spending of the fund since the World Bank has agreed that Pag-Ibig funds invested in mortgages would be acceptable as a counterpart.

Pag-Ibig officials meanwhile, noted that while President Aquino had clarified the suspension of the Pag-Ibig fund to be temporary, she had given instructions to rationalize the fund to make it more relevant to lower-income members.

Pag-Ibig officials said that objections of employees to the fund can be partly solved if each member could be given an up-to-date annual accounting of their fund values. In addition, automatic provident fund loans of P1,000 and P2,000 made to more than half a million members have lessened objections to the fund. With the entry of World Bank funds coupled with the lowering of housing costs, more housing loans can be extended to members and may complete the task of generating acceptance by employees, they said.

To further reduce the burdens of mandatory membership of lower-income workers, Pag-Ibig officials also recommended several measures. These include the retention of mandatory employer contributions to the fund, exemption of employees earning less than P1,500 from contributions, and increasing the maximum fund salary for which mandatory employer and employee contributions are required from P3,000 to P5,000 per month.

Shelter officials said that adoption of these measures would save the fund and allow continuation of the quick-disbursing World Bank loan.

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CSO: 4200/1029

DEVELOPMENT BANK CHAIRMAN LISTS PRIORITIES

HK150115 Quezon City BUSINESS DAY in English 14 May 86 p 7

[By Conrado R. Banal III]

[Text] Development Bank of the Philippines (DBP) this year will sell about P3.5 billion worth of its acquired assets and equity investments in private enterprises, convert itself into a wholesale bank, and set up a fund together with the Asian Development Bank (ADB) to build a medium- and long-term funds market.

Included in the P3.5 billion sellout blitz are DBP's shares in Philippine Commercial International Bank, Associated Bank, and Philippine Long Distance Telephone (PLDT) Co., which may total P1 billion.

Three hotels--Cebu Plaza, Zamboanga Plaza, and Bayview--majority owned by DBP, are also in the list.

Such an asset disposal heads DBP's priorities this year, in line with the Aquino government's policy to put business in private hands, according to Jesus Estanislao, DBP board chairman.

Speaking before the Development Bankers Association of the Philippines, Estanislao yesterday revealed two other DBP priorities: to strengthen its operations and to align its policies and programs with changes in the financial environment.

Those three DBP priorities indicate that implementation of President Aquino's "private sector first" policy will start in government financial institutions (GFIs). Estanislao yesterday told BUSINESS DAY that DBP's plans were connected with priorities approved by Finance Minister Jaime V. Ongpin and Central Bank governor Jose B. Fernandez Jr. who will have the decisive roles in GFIs' collective fate.

Estanislao said Fernandez agreed that DBP's equity investment in PCI Bank, amounting to about P250 million, has little development role.

He added that DBP has received offers for its shares in both PCI Bank and Association Bank but "certain things" have to be threshed out before a sale, such as the price and the government's desire to avoid concentration of bank ownership to a few groups.

DBP's shares in PLDT amount to about P400 million, Estanislao said, adding that since PLDT is an established firm, DBP has no reason to keep its investment in the firm.

A P135-million offer has been made for Cebu Plaza Hotel, he said.

The sellouts can give DBP the cash to pursue its lending operations and lighten the financial burden it puts on the national government.

Strengthening DBP's finances and operations therefore gets Estanislao's second priority status, apparently because Ongpin and Fernandez have cleared his plan to convert DBP into a wholesale bank.

Estanislao wants to retail DBP's lending operations through the country's 45 private development banks.

For starters, he is setting aside some P350 million of the DBP-Social Security System funds for retail lending by those private banks.

Estanislao believes that DBP's third priority--to take advantage of changes in the financial environment--will help create a medium, and long-term funds market.

He noted that the present relatively low inflation rate offers the chance to establish such a market.

The ADB is helping DBP in this project. The main aim, as espoused by Ongpin, is to bring back Filipino capital from abroad.

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CSO. 4200/1029

COLUMNIST ON DECISIONMAKING IN AGRICULTURE MINISTRY

HK160303 Manila THE MANILA EVENING POST in English 14 May 86 p 4

["Reporter at Large" column by Mario P. Chanco: "Who Is Really Calling the Shots in Agriculture?"]

[Text] There are crossed lines and distress signals floating over key government offices and ministries charged with the crucial task of agricultural reform. The Ministry of Agrarian Reform [MAR] believes that sugar and coconut lands should be included in the list of crops now under agrarian reformation. The Ministry of Agriculture and Food does not agree, and its position, deemed reasonable by its proponents, is that unless the [word indistinct] task on rice and corn reform beneficiaries is safely on stream, MAR should not try to increase its headaches.

On the agricultural credit front, Finance Minister Jaime Ongpin said last week he was working on a scheme to borrow \$200 million for seed capital to be turned over to a new "apex" type agricultural bank. A day later, the agricultural ministry came out with the draft of an executive order, said to be poised for signing by President Aquino, calling for the consolidation of all agriculture funds and "related loanable" funds into yet another body to be called the Agricultural Credit Policy Council.

The question hovers: Who is calling the aggie shots?

Both schemes are, to be sure, a distinct improvement over the old system. That procedure saw both former Minister Sonny Escudero and his predecessor, Arturo Tanco, Jr. flailing their arms helplessly before the aggie financial technocracy. The improved versions, however, still give the farming sector occasion for pause. The MAF [Ministry of Agriculture and Food] credit body could seem particularly offensive to CB Governor Jobo Fernandez and Jimmy Ongpin, since it would make Minister Moching Mitra sit on top of all aggie credit dispensation (which may be what the aggie sector truly needs). Ongpin and Fernandez could argue that credit policy, whether industrial or agricultural, is a function both of the Central Bank and the Ministry of Finance.

The MAF proposal seems nevertheless fully fleshed out and it is already in the cabinet hopper.

It needs only the signature of President Aquino to launch as a full-blown project.

The Ongpin proposal for an "apex" type of agricultural bank, on the other hand, has its roots in much the same welter of discontent over current credit policies extended to the farm sector. It is also in the hopper; complete plans for these were begun last year by a Land Bank and rural bankers' team, and are only being touched up, preparatory to getting the imprimatur of money lenders abroad and of President Aquino.

It is not certain at this stage which of the two proposals will win out.

If no conflict of wills ensues, the results will be happiness for the farm sector. If this is not possible, all is not lost; something can still be done. President Aquino can call upon all the field forces at her command to sit down and find the shortest and most cost-efficient way to make agriculture pay.

That is the sum of all agricultural effort, when you come down to it—productivity.

The lack of productivity was, next to bureaucratic indifference, the single biggest factor behind the decline of agrarian reform during the past regime. Farmers unable to wrest even a minimum livelihood from their small farms quickly lost interest in it. At the first opportunity, they either transferred the rights to their lands, sold it outright using various subterfuges—or they lost (without much regret, one fears) their CLTS (expansion unknown) to aggressive landlords and crooked lawyers.

"It wasn't just the credit delivery and facilities approaches that were defective," a national farm leader said recently at an agrarian reform forum. "It was the absence of contemporary state-of-the-art technologies that the farmers needed. Farmers could have diversified, following crop marketing patterns more closely, done any of a hundred different things with their small plots, consolidated some operations and discarded others. None of these could be done, save in dribbles. There was simply no instructional talent of that sort available. Nor is there, now. In fact, the current complaint is that most of the new aggie hierarchy prefers to work on agriculture from the vantage point of table-tops, not of the farms.

The imposition of heavy taxes on unused or idle land is seen in many quarters to have many potentially useful effects.

One of these will be that productivity will surely rise. People who either do not have the means to develop their land, or who cannot marshall the skills to develop it, will be forced to sell or give up their properties. This sort of involuntary land reform will do harm to some landowners. But in the main, it may result in a new kind of farm manager being developed. Instead of joining instructional college staffs, the well-rounded aggie graduate may assemble any number of given landowners in a given area and handle their properties for a fee, or for a share of the profits.

Many vexing problems will arise here also. But such problems will be small alongside the greater good to be derived from a situation where a person's right to land ownership is equated to his will to develop it.

It's probably immaterial whether, in the long run, the MAF or the Central Bank or a new Apex Bank handles farm credit.

Given the material inputs, the most important input remains the person who can make aggie property pay. The new government will lose nothing learning to develop this angle. It may be worth more than the sequestering and raking-over-the-coals operations that still hug the headlines—for how much longer, no one seems to care or know.

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CSO: 4200/1029

DAILY REPORTS SAGUISAG 'LEAVE,' SPECULATES ON DEPARTURE

Quezon City ANG PAHAYAGANG MALAYA in English 29 Apr 86 pp 1, 6

[News Analysis: "Insight--Saguisag Goes on Leave"]

[Text]

Presidential spokesman Rene Saguisag will go on an "indefinite leave" to represent the government in legal proceedings involving the Batan nuclear plant.

His friends and press circles, however, have known for sometime that Saguisag wanted out. Monica Feria writes in this article prepared before the announcement of Saguisag's leave from Malacanang duties. -ed/

Rene Saguisag, the now-prominent presidential spokesman has told the President that he wants out.

Rene, a bold and energetic human rights lawyer before he was drafted by Cory Aquino into "inner" government service, has discovered soon enough that the burden of power to his independence of thought and privacy is heavy indeed - and require a temperament which his years at the Harvard School of Law did not exactly train him for.

As "Cory Aquino Jr." he has to answer calls up to late at night from a demanding and per-

sistent press community. He has to listen to their complaints and occasional impatient catcalls. He receives hundreds of letters a day - 70 per cent of which, he says, has nothing to do with his job as presidential spokesman. They are from people and friends who want him to tell Cory this, tell Cory that, facilitate an appointment, look into a complaint, give so-and-so a job, you name it. People, of course, perceive him to be only whispers away from the president and the more resourceful lobbyists have discovered where he lives. Employees who have lost their jobs in the new government reorganization have threatened to picket his house.

Rene is tired and harassed. The role of the presidential spokesman has always been ambiguous. Remember the confusion and strain between Marcos spokesman Adrian Cristobal and former Information Minister Gregorio Cendana? Meanwhile, Rene is being crushed between the Ministry of Information and the Office of the President, both of which have yet to

get their administrative acts together. As spokesman too he cannot open his independent mouth; he must dish out the official line and play with the team.

In the beginning, it was hard to refuse the opportunity to be where the power is. "It's a nice feeling... what you tried to do in so many years could be done in just days," he had told us, referring no doubt to the release of political prisoners and the restoration of many democratic rights.

Later, he became more restless and began telling more and more of his friends that he didn't think he was cut out for the job.

When the official channels roll too slowly, appear arbitrary or simply don't work, "palakasan" will be the name of the game, we argued with Rene. At times it is a way of making up for the bureaucracy's failure or personality clashes which often get in the way of professional matters.

"But if we have to cut it, then let's cut clean," Rene countered, exasperated.

But with things as they still are... we tried to continue. Rene raised his hands.

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CSO: 4200/1064

TUCP'S HERRERA ON AQUINO REPROVAL OF LABOR MINISTER

Quezon City ANG PAHAYAGANG MALAYA in English 29 Apr 86 pp 1, 6

[Article by Joey Salgado]

[Text]

President Aquino reproved Labor Minister Augusto Sanchez last week in front of some of the country's leading trade unionists for favoring the militant Kilusang Mayo Uno, a high official of the rival Trade Union Congress of the Philippines disclosed yesterday.

TUCP secretary-general Ernesto Herrera told the weekly Kapihan sa Maynila that he (Herrera) complained to Mrs. Aquino about Sanchez's actions in last Tuesday's meeting of labor leaders with the President.

"If you want to fight, we're willing to fight you," Herrera recalled telling Sanchez in the presence of the President.

Sanchez could not be reached for comment on the reported incident.

Herrera was the lone speaker at the Kapihan after the other invited guests, including Sanchez, other labor leaders and management representatives, failed to show up upon the advice of Malacanang.

Malacanang was reportedly apprehensive that the appearance of Sanchez and officials of business and labor could "jeopardize" the outcome of a meeting between Aquino, the Employees Confederation of the Philippines and the Labor Advisory Council scheduled late yesterday afternoon.

A member of the Labor Minister's staff confirmed that the "request" to

stand up the Kapihan came from the office of President Aquino and was delivered by Executive Secretary Joker Arroyo.

Kapihan organizers were, in fact, contacted by a top official of the Ministry of Information and asked to "wrap" yesterday's Kapihan, the first time that Malacanang asked for a cancellation of the weekly forum. Arroyo reportedly called up leaders of the Labor Advisory Council and ECOP without the knowledge of Kapihan organizers.

Those who failed to come were Sanchez, Raoul Inocentes, president of ECOP, Benildo Hernandez and Frank Drillon also of ECOP, and lawyer Rolando Olalia of the Kilusang Mayo Uno.

Herrera, who was obviously unaware of the sudden cancellation of the other guests' appearance, had a field day blasting Sanchez for his "statements and actions that need to be changed."

"It is difficult to say that he is acceptable or unacceptable," Herrera said when asked if the TUCP outrightly rejects Sanchez.

Herrera, bathed in camera lights and answering questions with relative ease, added that the TUCP wants Sanchez to "expand his circle of advisers."

Commenting on the proposed strike moratorium, he said government should first spell out the terms of the "ceasefire," although he feels that a moratorium is not necessary since there are enough laws to rein in illegal strikes.

"Government should be firm in putting order in labor relations," he said.

SAN MIGUEL CORPORATION DEFIES BAN ON BOARD ELECTIONS

HK131438 Hong Kong AFP in English 1424 GMT 13 May 86

[By Rene Soliman]

[Text] Manila, May 13 (AFP)--San Miguel Corporation (SMC), the largest manufacturing firm in the Philippines, Tuesday defied a government ban by calling an election of its board of directors.

In an annual stockholders meeting attended by over 2,000 people in the financial district of Makati, San Miguel officials set the election for May 27, 12 days before the expiry of a ban imposed by the Securities and Exchange Commission (SEC).

The meeting took place hours after the state corporate watchdog body barred SMC from holding the election pending the resolution of a dispute over the ownership of a large block of SMC shares. The ban was to be in effect for 20 days.

San Miguel acting chairman and president Andres Soriano, whose positions were supposed to be formalized in the aborted election Tuesday, instead delivered a wildly-applauded speech before a packed hall of SMC stockholders.

Mr. Soriano defended the controversial transactions entered into by SMC during the last two months as "imperative for the company to survive."

San Miguel has been locked in a bitter dispute with a presidential commission investigating charges of ill-gotten wealth of deposed President Ferdinand Marcos and his associates, over a series of complex transactions.

The commission suspects that a large block of 33 million SMC shares mysteriously unloaded last April at the Manila bourse belong to Eduardo Cojuangco, a close ally and alleged business front of Mr. Marcos.

The panel voided that sale and froze the proceeds amounting to 161 million dollars, claiming it violated President Corazon Aquino's proclamation banning the movement of suspect assets.

The buyer was an unnamed group later identified to be an SMC subsidiary that made the purchase using funds from the sale of the company's Hong Kong brewery.

Mr. Soriano defended the reacquisition by his group of the Cojuangco shares as "swift, immediate and decisive action...to eliminate a destabilizing block of shares," adding that he personally did not benefit from the deal, as alleged by critics.

He also pledged to return the questionable shares "to the marketplace ... to increase the public ownership base" of the conglomerate which the Soriano family has controlled for more than three generations.

The good government commission had sought to disallow the SMC board election, fearing the Soriano group would use the disputed shares to ensure itself of power and thus effectively sweeping the ownership issue under.

The 34-year-old Mr. Soriano, whose father and grandfather both headed SMC, said that while the country had "fought so hard to regain its freedom," San Miguel was still "fighting for its freedom." He said it was the stockholders' right to decide on SMC's future.

The SMC head suggested the presence of Mr. Cojuangco, an estranged cousin of Mrs. Aquino, in the 96-year-old firm had a negative impact on SMC's image, citing "numerous complaints of involvement of management and employees in partisan political activities" during the presidential election campaign early this year.

Mrs. Aquino, who was then the opposition standardbearer, called for a consumer boycott of San Miguel products as a part of efforts to oust Mr. Marcos after the fraud-marred February 7 election.

Mr. Soriano said Tuesday the boycott had "caused great harm" and had resulted in "polarization" and "demoralization" of SMC employees.

Some 5,000 civilians and soldiers, meanwhile, Tuesday staged a candlelight procession along a suburban avenue dividing two military camps in nearby Quezon city.

They ended the gathering by attending an open-air mass in front of the Armed Forces headquarters.

The procession was held in memory of the February revolt in which hundreds of thousands of unarmed civilians surrounded the two military camps to protect a few hundred reformist troops who mutinied against Mr. Marcos.

The mass was attended by Defense Minister Juan Ponce Enrile and General Fidel Ramos who led the revolt, and by Trade and Industry Minister Jose Concepcion who also took part in the procession.

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CSO: 4200/1029

KMU CHAIRMAN REACTS TO LABOR, BUSINESS AGREEMENT

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 pp 1, 6

[Article by Joey Salgado]

[Text] Labor and business representatives have agreed not to implement the proposed six-month moratorium on strikes and decided instead to convene a tripartite conference to draft rules governing labor-management relations.

The agreement was reached yesterday during a meeting of the Labor Advisory Consultative Council, composed of the country's major trade union groups and the Employers Confederation of the Philippines.

The original draft of the agreement, signed by both parties, included a provision calling for a moratorium on strikes and layoffs and other job-cutting measures for six months.

The provision, however, was scrapped after deliberation.

The moratorium proposal came up during an earlier meeting of the LACC with President Aquino.

Labor leaders were not immediately receptive to the moratorium proposal, arguing that there were other industrial issues where strikes were unavoidable.

Rolando Olalia, chairman of the Kilusang Mayo Uno, said issues such as deadlocks in bargaining negotiations remained mostly unresolved after the lapse of the mandatory 30-day cooling off period.

She also said clear acts of unfair labor practice such as union-busting could only be foiled by the union through strikes.

The LACC and the ECOP agreed to call a tripartite meeting to draft a "code of industrial harmony" with equal representatives of not more than 10 each from labor, business and the labor ministry.

The proposed code would contain guidelines on the conduct of strikes and other matters related to industrial relations.

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CSO: 4200/1064

RETURNING OVERSEAS WORKERS ADD TO UNEMPLOYMENT BURDEN

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 p 2

[Text]

Permanently returning overseas contract workers add to the Aquino government's problem of devising means to ease the nation's chronic unemployment situation.

The returnees further swell ranks of the unemployed because they could not immediately find local jobs except for those highly specialized skills which happen to be in demand.

They also represent an additional layer to the social discontent being generated by the unemployment problem in the sense that their former high-paying jobs enabled improvements in their families' living conditions and such "good times" have now ended.

Calling attention to the problem are middle echelon labor ministry officials who disclosed that the new government still has to develop an approach to the plight of the returning workers.

They said the problem is how to redeploy the returnees locally in the face of a dearth of local employment opportunities because of the ongoing national economic crisis.

There is as yet no accurate ministry count of workers who have returned in the past two years nor is there a projection on number of those coming

home this year and the next, according to the officials.

Based on rapid constriction of the Middle East labor market for expatriate workers, the officials said the expectation is that larger numbers of Filipino contract laborers in the oil-exporting Arab countries will lose their jobs there this year and the following years.

They added that local recruitment for overseas work will likewise taper off since the crash in world oil prices would compel the Arab nations to further cut down on construction projects that require imported labor.

Narrowing of the Middle East labor market started in the early 1980s and such a development is forecast to continue for the rest of the decade unless world oil prices recover to again shower the exporters with excess petrodollars, ministry officials said.

The officials cited ministry records which show that outflow of Filipino workers to the Middle East labor market has been progressively declining in the past four years. The records show that land-based workers placed in 1984 were 2.4 per cent less than in 1983.

Started in the mid-seventies by the deposed Marcos government, the export of Filipino labor helped ease the nation's unemployment problem and at the same time provided the government with a source of needed foreign exchange. - Depthnews

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CSO: 4200/1064

TOURISM MINISTRY TO DISMISS UP TO 5,000 EMPLOYEES

HK141607 Manila THE NEWS HERALD in English 14 May 86 pp 1, 6

[By Cynthia D. Balana]

[Text] Some 5,000 officials and employees of the Ministry of Tourist (MOT) face dismissal by the end of next month.

Fears of a massive layoff swept the MOT rank and file yesterday following the announcement by Minister Jose Antonio Gonzalez that, effective next June 30, he will consider vacant all positions in the ministry created under deposed President Marcos.

Gonzalez decided to fire all the MOT personnel despite the objections of Dean Jose Manansan of the Asian Institute of Tourism, concurrently chairman of the MOT Reorganization Committee.

Manansan reportedly recommended to Gonzalez the retention of deserving oldtimers, comprising about 40 percent of the total MOT work force.

MOT sources said Gonzalez not only disregarded Manansan's recommendation on the tourism personnel, but also asked for the dismissal of all employees of the Philippine Convention Bureau (PCB), the Civil Aeronautics Board (CAB) and the Philippine Tourism Authority (PTA).

The purge of key tourism officials identified with the previous regime continued yesterday with the dismissal of lawyer Ramon Tuangco, chief of the legal service.

Earlier Gonzalez ordered the dismissal of Jose Balmores, head executive assistant; Claudio Ochoco, administrative service chief and Col Jaime Ilagan, finance and management service chief. No reason was given for their dismissal.

PTA sources said the termination papers of 20 other key officials are awaiting the signature of General Manager Ramon Vinamira, Jr., while seven more division chiefs are scheduled to be fired this month.

Meanwhile, Gonzalez named his own men to key positions on a voluntary basis. Appointed were Armando Beltran, confidential assistant to the minister; Jose Jesus Roces, special assistant to the minister on finance and management matters, and Cherrie Aquipol, assistant to Rebecca Esguerra of the Personnel Board.

Esguerra heads the Personnel Board undertaking the evaluation of the qualifications of all MOT employees.

MILITARY ALLEGES NPA PENETRATION OF APAYAO FACT TEAM

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 p 6

[Text]

Military authorities have disclosed that a Kalinga-Apayao fact-finding and medical mission has been infiltrated by four identified members of the communist New People's Army.

In a statement released to *Malaya*, authorities said the NPA used the mission tasked to investigate military abuses in Apayao-to bolster the objectives of the guerrillas in the area.

The suspects were identified as Benigno Valles of the Luzon Social Action Center, Myrna Cajayon of TFD, Gims Cruz of the National Social Action Center and Rollie F. Lee of SEL-DA, an organization of former political detainees.

Authorities said the four were identified by residents of lower Apayao as having participated in the 90-strong NPA guerrilla parade in a recent display of force for the benefit of the area residents.

The authorities also denied charges made by the mission that there were rampant human rights abuses committed by the soldiers.

Former MP and Labor Minister Blas F. Ople, meanwhile said, the escalation of "people's war" in the countryside and threats of widespread unrest in the cities "should put the Aquino administration on notice that the Communist Party of the Philippines has rejected a ceasefire and reconciliation.

"The series of ambushes from Albay to Kalinga-Apayao to Cagayan, staged in quick succession, is a message of rejection written in fratricidal blood," Ople said.

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CSO: 4200/1064

NORTHERN LUZON TRIBESMEN DISTRUST AQUINO GOVERNMENT

Quezon City ANG PAHAYAGANG MALAYA in English 29 Apr 86 p 16

[Article by Bonifacio A. Bengunyan]

[Text]

BUGNAY. Kalinga-Apayan (DEPT/Inews) - Igorot tribesmen who have joined the dissident movement on the Cordillera highlands of the Bicol region are very mistrustful of the Aquino administration.

They describe the new government as no different from the Marcos and previous regimes which treated them and other ethnic minorities in the country as second class citizens.

This attitude of the Igorot rebels was reported by the Human Rights Organization in the Cordilleras (HROC) led by lawyer William F. Claver. The group is helping relay the message of reconciliation, truce or ceasefire from the government to dissidents holed up in the Cordillera mountains.

Claver, who is HROC president, said that aside from the mistrust, problems of resettlement and employment are among those cited by the rebels in their non-response to calls of the Aquino government for them to return to fold of the law.

HROC has been conducting one-on-one interviews with the rebels. Some of them have been with the dissident movement for at least four years, Claver said.

The interviews are part of an HROC study to determine effective ways whereby the rebels can be persuaded to come down from the hills, lay down their arms and rejoin their communities, he explained.

Claver said that one of the toughest problems is the enduring belief of

Cordillera ethnic minorities that they have always been low in priorities of the national government.

Cited was the socio-economic condition of ethnic communities not only in the Cordilleras but elsewhere in the country which has been left far behind by that enjoyed by lowlanders or Filipinos who belong to the larger Christian community.

A recent example of supposed national government non-respect for ethnic minority tradition and culture is the Aquino government's appointment of officers-in-charge in the tribal communities "who are not minority members."

Claver said the complaint against outsider OICs reflects a belief of the Igorots "that they have never been given a chance by past administrations to be heard" on how socio-economic development of their communities should progress.

Turning to the resettlement and employment problems, HROC found that the rebels have been monitoring progress of comrades who have decided to surrender.

Most of those who returned to their villages after the usual clearance from the military had a tough time resettling and finding jobs, HROC said.

There have even been reported cases wherein surrenderees and some members of their families were slain by former comrades in the dissident movement "as a lesson to others." HROC said it is still trying to docu-

ment such cases.

Returning to the mainstream after so many years in the hills of living a spartan and often hunted life has also been a trying experience for the surrenderees, HROC pointed out.

The returnees find themselves either looked upon with awe, fear or suspicion and such an experience is painful since the Igorot community is one of the closes-knit in the country, HROC explained.

HROC reported that it had interviewed 250 persons so far in relation to its study; majority of them close relatives of the rebels. About 80 per cent was of the opinion that it is not wise at this time to heed the Aquino government's call for all dissidents to end their struggle and join in the national effort at reconciliation.

Interviewees would rather wait and see "depth of sincerity" of the new administration in its claim of reconciliation, HROC reported.

Of the rebels interviewed, HROC quoted one who said that he and his comrades would never surrender as long as the military abuses people in the countryside.

HROC further said that many of the rebels said that military abuses perpetrated on them and their relatives were the "ultimate factor" which made them decide to take up arms and join those in the hills.

/9317

CSO: 4200/1064

17 NPA, SYMPATHIZERS SURRENDER IN BOHOL

HK130957 Manila PHILIPPINE DAILY INQUIRER in English 10 May 86 p 13

[By Boy Quezon]

[Text] Valencia, Bohol--Seventeen New People's Army (NPA) members and sympathizers the other day surrendered to Provincial Officer-in-Charge Victor S. de la Serna and Lt. Col. Jose G. Ayap, PC [Philippine Constabulary] provincial commander at the mountain barangay of Tausi-on this town.

The 17, led by Anesio Igar, alias Ka [comrade] Nesio, were granted amnesty.

The surrender culminated a month-long dialog among civilian authorities, military operatives, members of the Civilian Home Defense Force (CHDF) and the "Tadtad" [expansion unknown] group and the rebels.

According to Col. Leo L. Olegario, commander of the PAF [Philippine Air Force] reserve airlift support unit, based in Pasay City, rebels operating in Eastern Bohol, have also been sending surrender feelers.

Olegario, a native of this town, and De la Serna initiated reconciliation talks, in coordination with the PC provincial command. This reporter acted as emissary.

At presstime, insurgency-related killings peaked at 38, the highest since 1982, with an undetermined number wounded and 10 missing from the military, civilian and rebel sides.

On Oct. 13 last year, Bohol PC assistant provincial commander, Maj Richard Estrada, and 10 of his men were killed in an ambush allegedly by NPAs in Barrio Onjon, also of this town.

In their talks with the surrenderers, De la Serna, Olegario and Ayap emphasized the government's sincerity in resolving the insurgency problem, in line with President Aquino's policy.

The governor also announced the ongoing campaign of the government against all forms of injustices which marked the deposed regime.

/8309
CSO: 4200/1029

CPP ALLEGEDLY DISRUPTING TRANSPORTATION SERVICES

HK130905 Manila MANILA BULLETIN in English 12 May 86 pp 1, 5

[By Rod Villa and Olaf Giron]

[Text] Government authorities are investigating reports that the Communist Party of the Philippines (CPP), through militant front organizations, is behind a move to disrupt transportation services to destabilize Luzon.

Labor, military and local officials were reported yesterday to be assessing intelligence information that the "illegal strike" that has crippled the Philippine Rabbit Bus Lines (PRBL) was the first of an "orchestrated plot" to disrupt Luzon's "Big Six" transportation firms.

As this developed, the Ministry of Labor and Employment (MOLE) said that eight more strikes were staged last week, bringing the number of ongoing strikes to 75 nationwide.

Government authorities identified at least four associations, one of them a militant labor group, have been placed on the "watch list" as communist fronts engaged in a "highly organized agitation and propaganda campaign" among workers in these companies.

Civic and community leaders joined local officials in urging an early settlement of the Rabbit labor dispute which has paralyzed 30 percent of land transport services in central and northern Luzon over the last 16 days.

Tarlac Gov. Jose Macapinlac was worried about the adverse consequences of the Rabbit dispute, notably the disruption of the livelihood of some 2,400 employees of the PRBL, which is based in his capital town of Tarlac.

PRBL General Manager Ricardo L. Paras said the strike has disrupted the company's daily flow of 60,000 commuters and slowed down the movement of foodstuffs and vital commodities, particularly from Baguio City, and between 10 vital points of destination covering Tarlac, Bataan, Baguio City, Laoag City, and Bangued, Abra.

It has likewise hampered the delivery of pouches and other vital documents of the Central Bank and other financial institutions using the Rabbit buses, Paras said.

Government probers received reports that the destabilization plot targeted Pantranco, Victory Liner, Baliwag Transit, Danwa Tranco and Times Transit, the largest firms servicing up to 85 percent of transport lines across Luzon.

Paras said the company was providing free meals and continues paying early 2,400 Rabbit workers since the company suspended bus runs April 26.

The officials conferred behind closed-doors to assess the extent of communist infiltration in the sector.

Paras reported that the company had to stop operations a day after goons identified with a leftist labor organization stoned several Rabbit buses, injuring a driver and other persons, on the North Superhighway near Dau, Pampanga, April 27.

"We had to stop operations to prevent the clear and patent possibility of death and injuries and destruction of our buses," he reported.

Stressing complete neutrality in the dispute, Macapinlac noted that the demands of the Samahang Militanteng Manggagawa sa Philippine Rabbit [Association of Militant Philippine Rabbit Workers] (ANGLO) [Association of Genuine Labor Organizations] headed by Manuel Pansanba, were "noneconomic" and may not justify a strike.

They likewise noted that the strikers have been joined by persons waving communist hammer-and-sickle banners of the Kilusang Mayo Uno [May 1st Movement] which has been branded by the military as leftist and "too strike-prone."

Members claiming membership with the Bagong Alyansang Makabayan (Bayan) [New People's Alliance], and the League of Filipino Students have joined the picket lines.

/8309
CSO: 4200/1029

LETTER CLAIMS CORDILLERA ALLIANCE NDF FRONT

HK141559 Manila MANILA BULLETIN in English 14 May 86 p 6

[From the Jesus Bigornia column: "A Letter From the Cordillera"]

[Text] "In view of the many published reports about the activities of the Cordillera People's Alliance [CPA], through its propaganda arm, the CORDILLERA NEWS AGENCY, I would like to submit the following so the public will not be misled by its propaganda gimmicks, a Mr. Extor Saburo, writes from La Trinidad, Benguet. He adds: "First, it should be made known to the whole Filipino nation that the CPA of which William Claver is the chairman is in reality a 'front' for the National Democratic Front, which 'fronts' for the Communist Party of the Philippines and its military arm, the New People's Army.

"Second, the Claver and the CPA spearheaded the boycott movement during the 1984 and 1986 Batasan and presidential elections and, together with the NPA, snatched ballot boxes during both exercises.

"Third, that Claver and his CPA supported by the NPA boycotted the two elections in hopes of making the then President Marcos and his party win to justify their waging the so-called 'people's war,' actually their own war, not the Filipino people's.

"Fourth, that Claver and his CPA are campaigning for the withdrawal from 'montanosa' (mountain provinces) so the NPA rebels, most of them lowlanders, can continue terrorizing the residents into joining their rebellion."

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CSO: 4200/1029

COLUMNIST CITES NEED TO LISTEN TO LEFTISTS

HK151547 Quezon City BUSINESS DAY in English 15 May 86 p 4

["My Cup of Tea" column by Ninez Cacho-Olivares: "Who's Afraid of the Left?"]

[Text] Who's afraid of the left and the radicals getting appointed to the Constitutional Commission? Some conservatives and Blas Ople, it seems.

Ople, who heads a political party, probably of one, had earlier issued a warning that the communists plan to infiltrate the Con-Com. Mr. Ople, who also, I hear, informs American officials of these "dangers," was quoted as having said that "radical groups have been most vocal in demanding representation in the Con-Com while denigrating the claims of other groups" and that these radicals want to dominate the Con-Com and use it to divide the nation. Furthermore, according to him, if the "radical left succeeds in dominating the commission, it would preempt the government in deciding issues of national import, including those involving American military bases in the country."

The Nationalist Alliance for Justice, Freedom and Democracy (NAJFD), on the other hand, has nominated Horacio "Boy" Morales Jr., who under the Marcos regime was tagged as the National Democratic Front chairman. NAJFD reportedly also endorsed the nomination of Jose Maria Sison, who was once tagged as the Communist Party supremo. It also suggested that six laborers, eight peasants, two fishermen and two members of the urban poor should also be appointed to the body. If Morales, Sison and other "radicals" are indeed to be appointed to the Con-Com by President Aquino, should this be a cause for concern? Or, to put it a shade deeper, should Filipinos be afraid of the left having a voice in the making of a new Constitution?

If we, as a nation, believe in establishing a pluralist and an egalitarian society, why do we tend to shut out the left and the radicals? Shouldn't their ideas and aspirations be heard as often and as loudly as the aspirations of the centrists and the conservatives?

Why does it become a cause for alarm when Labor Minister Bobbit Sanchez makes an announcement that is generally viewed by the conservatives as pro-labor? Why is Mr. Sanchez now stamped as a leftist simply because his pronouncements were not reflective of conservative views? Questions are even asked on how far left his leanings go. One must have noticed the sudden overflow of news stories that investors are now scared to plough in capital because of Mr. Sanchez's pronouncements!

Whether Mr. Sanchez is regarded as pro-left or pro-labor, whether these pronouncements were echoed or rejected by Mrs. Aquino, were these Sanchez pronouncements the real reason investors continue to have a "wait and see" attitude? Or why they have changed their minds about investing in this country? Is this enough reason for some heads of multinational [words indistinct] they are already "fed up?"

Multinational corporations do not do business only in capitalist countries. They can be found almost everywhere, including socialists and even deep into communists countries--as long as business is viable and remains profitable. Didn't Coca-Cola announce to the world that it was the first in China?

I doubt if businessmen here, both local and foreign, truly fear that they will be swallowed by the left or that the Aquino administration is dominated by the so-called "radicals" in her Cabinet. Perhaps one of the reasons some businessmen are "fed up" or are continuing with their "wait and see" attitude is that the Aquino government, to this day, has not come up with clear-cut policies. The messages being sent out by government are confusing. There is somehow always a babel of voices and theories. And oftentimes, the Aquino government is seen as wanting in decisive action. Important issues are at times not decided when immediate decisions are awaited. And there is that overall feeling that Mrs. Aquino procrastinates too often and too much. Then too, the Good Government Commission's "sequestering" acts are not too reassuring to businessmen.

But do such actions mean that the Aquino government leans toward the left? That the leftists and the "radicals" will be allowed to have an influential voice, through the appointed members of the forthcoming Con-Con?

At the moment, Aquino is seen as a centrist, pushing for a pluralist society and chances are high that she will have a fair representation of the different sectors of society.

But even if she does appoint what may seem to be a generous sprinkling of "leftists and radicals," is this something to be feared? The left will probably bring forth nationalists aspirations. They may push for the dismantling of the U.S. bases in the country. They may push for a pure parliamentary form of government and strive to scrap the two-party system. Are these to be feared?

When the left fights its battle in the open fields of parliament, there is nothing to be afraid of. Filipinos, in the main, are not ready to embrace the communist ideology. Filipinos are not even ready for Western style socialism. They continue to be comfortable with capitalism.

It will be the Filipinos, conservatives, radicals, centrists and leftists who will, in the end, ratify or reject the draft of the new Constitution.

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CSO: 4200/1029

EDITORIAL ENCOURAGES ATTENTION TO RURAL AREAS

HK141601 Manila MANILA BULLETIN in English 14 May 86 p 6

[Editorial: "Rural Development"]

[Text] If only for the fact that a life-or-death struggle is going on in many provinces, the national government should pay more attention to the rural areas. The insurgency may seem remote here in the national capital region but it is a living reality in the provinces. And one cannot truly belittle the rural phenomenon without being reminded that in the case of at least one country--China--the eventual conquest of the nation began and was strengthened in the countryside.

The insurgency is only one of the factors that compel granting more importance to the rural areas at this time. Another is the fact that the rural areas are the primary source of the national wealth and, therefore, of incomes for the majority of the people.

Name any of the major foreign-exchange earners and note that it comes from the rural areas. Ironically, the people in the rural areas are mired in poverty.

It is heartening to note that some agencies under the new administration are beginning to concentrate their lending on the small and medium-scale businesses in the countryside. This is easier done now in the absence of the "behest loans" that in the past were given to a favored few. Spreading the lendable funds to many strengthens entrepreneurship and the confidence in the government.

It may need some inspiration to inject added vigor into rural development. It seems that some government leaders, notably Trade and Industry Minister Jose Concepcion, have been infected with this virus to do more for the countryside, and for this we are glad, for the fate of the nation lies in what happens out there.

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CSO: 4200/1029

STATUS OF SOCIAL SERVICES GOALS REPORTED

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 p 3

[Article by Romy Tangbawan: "Cory's Target: The Poor"]

[Text]

The "disadvantaged" members of the society now see a brighter future as the Ministry of Social Services and Development is expected to be given a higher priority in President Aquino's government.

Minister Mita Pardo de Tavera said social services were barely felt in the past in far-off communities because of limited resources. This year, MSSD was allotted only P184 million, by the government, not even half a per cent of the national budget.

"With a bigger budget and additional qualified staff," Tavera said, "the ministry will be able to give more livelihood opportunities to needy persons."

She also said the MSSD was geared to provide better protective and rehabilitative services to abused and abandoned children, exploited and neglected women, former political detainees, returnees and other victims of injustice and oppression.

As outlined by Tavera, major programs of her ministry would be focused towards community-based services and projects since the bulk of the poor population are in rural areas.

Rather than give dole-outs, Tavera aims to increase the self-employment assistance program and this will be made more efficient and effective by giving the beneficiaries greater leeway in the decision-making process.

"In the meantime that we have scarce resources, we are strengthening tie-ups with volunteers from the private sector, cause-oriented groups and non-governmental organizations," the minister said.

MSSD has some 13,000 day care centers all over the country to serve about 3 million needy pre-school children a year.

Reports show, however, that many of these day care centers have not been functioning due to lack of funds or support from volunteer groups.

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CSO: 4200/1064

POPULATION GROWS BY 1 MILLION IN 1985

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 p 2

[Text] Filipinos are projected to count at a little over 56 million by the end of this year or an addition of a million to the 55 million estimated national population in 1985.

The National Census and Statistics Office also reported that over 50 percent of the population will be residing in Luzon.

Using annual population growth data obtained by the 1980 national census, NCSO estimated that residents of the Southern Tagalog region will count at 7,287,385 by end-1986; Metro Manila, 7,147,436; Central Luzon, 5,639,709; Bicol, 4,102,382; Ilocos, 3,956,554; and Cagayan Valley, 2,564,617.

In the case of the Visayas, NCSO said Western Visayas will have a count of 5,207,176; Central Visayas 4,278,191; and Eastern Visayas, 3,128,592.

Numbers for Mindanao are 3,263,614 for Northern Mindanao; 2,928,391, Western Mindanao; and 2,664,892 for Central Mindanao.

NCSO said that the national population today has a yearly growth rate of 2.3 percent compared to 2.7 percent measured in the 1980 census which counted a 48 million population.

Based on the 2.3 percent growth, the agency estimated that Filipinos will number 56,004,130 by the end of this year with the males outnumbering the females at 28.1 million against 27.9 million.

However, NCSO said that Metro Manila and the Ilocos will have females numerically predominating in their respective regional populations. It said Metro Manila females will total 3.7 million and males 3.4 million. In the Ilocos, there will be 1.99 million females against 1.96 million males.

In the other 11 regions, NCSO said males will continue to enjoy the numerical advantage over the females as was the case last year.

Using the medium assumption or estimate, the agency projected the national population to stand at 69.9 million by year 2000 which is just 14 years away. The high estimate gives a 75 million figure.

An assessment made by demographic experts of the Population Commission resulted in the warning that only 70 million people can be "decently" supported by the country's natural resources in terms of self-sufficiency in food and other basic human needs.

Although Filipinos have made some progress in scaling down the annual national population growth 2.3 percent from 3.1 percent in 1960, the high growth rate potential remains because fertility levels are still high, mortality levels are declining and the youthful median age (18 years) of the population the experts pointed out.

"Heavy pressure on high population growth affects all aspects of the country's economy, seriously undermining the country's efforts to provide adequate levels of education, housing, employment, food and health care to its people," Popcom said.

/9317

CSO: 4200/1064

CONSTANTINO ANALYZES NUMBERS ATTENDING RECENT RALLIES

Quezon City ANG PAHAYAGANG MALAYA in English 30 Apr 86 p 4

[Commentary by Renato Constantino: "Political Arithmetic"]

[Text]

While watching the Japanese baseball championship series last year, I was impressed by the huge number of spectators which by Manila calculations would be a million people. I made inquiries about the capacity of the stadium and was told that its total accommodation was only 58,000. This led me to question the sizes of crowds that attended rallies, demonstrations and lately the snap revolution.

Crowd estimates have varied widely depending on the political bias of the writer. A recent KBL rally at the Luneta is a case in point: the *Inquirer* reported that the crowd was between 8 and 12,000, *Newscenter 4* put it at 30,000, while the Tolentino camp claimed 1.2 million!

It is of course difficult to gauge the size of crowds at rallies and demonstrations accurately because they are usually in constant motion. Furthermore, densities vary with respect to distance from center stage. Nevertheless, setting aside partisanship, an attempt at a more objective estimate of crowds for various sites should be made. What follows is a contribution to this effort, for which I acknowledge the assistance of my granddaughter, Marika B. Constantino, a student at the UP College of Architecture.

The determination of crowd density depends on the positions assumed by the people in the crowd. Following are a variety of positions that we believe characterize a typical rally. The average human dimensions are based on accepted architectural standards. ("Time-Saver Standards for Building Types," 2nd edition edited by Joseph de Chiara and John Hancock Callender, McGraw-Hill Book Company)

Position	sq. m./ person	persons/ sq. m.
1) sitting or squadding	0.313	3.19
2) standing, shoulder to shoulder, no space between people	0.125	8.00
3) standing, with elbow room on the sides and with person directly in front	0.232	4.31
4) standing, shoulder to shoulder with elbow room front and back.	0.330	3.03
5) standing, shoulder to shoulder with person in front at arms length	0.387	2.58
6) standing, with persons at sides at arms length and with person directly in front	0.440	2.27
7) standing, with elbow room at the sides, front and back	0.640	1.56
Average	0.3524	3.5629

The discrepancy in the correlation of the foregoing average figures is due to the rounding-off of decimals. In any case, such discrepancies shall be utilized for purposes of this attempt to project high and low crowd estimates.

Assuming the above data to be fairly accurate, we tried to determine the number of people that could be accommodated in various rally and demonstration sites. We utilized Philippines Map Co., Inc.'s "Metro Manila Street Directory," 3rd edition to determine the areas of the subject sites.

It must be noted that, unless specifically excluded, all obstacles such as monuments, buildings, trees, fountains, posts, etc. are considered part of the occupiable area. The area occupied by cars and other vehicles is likewise considered to be occupied by persons.

Site	High	Low
1) Luneta: 206,000 sq.m. from the Quirino Grandstand up to Taft Ave. bounded by South Blvd. & T.M. Kalaw on the south, and Katigbak & P. Burgos on the North (excluding the Finance & Agriculture Buildings)	733,957	584,563
2) Liwasang Bonifacio: 11,250 sq.m. from the Post Office Building to the area bounded by the roads leading to the Jones and MacArthur Bridges ...	40,083	31,924
3) Ugnarte Field: 52,000 sq.m. bounded by Ayala Ave., Paseo de Roxas and Makati Ave., plus 10 meters into adjacent sidestreets (excluding the areas occupied by the Makati Stock Exchange Building and Nielsen Tower	165,271	147,560

4) EDSA: 175,000 sq.m. from Aurora Blvd. in the north to Ortigas Ave. in the south including Santolan Rd. and Katipunan Ave. surrounding Camp Aguinaldo and all islands and service roads plus 10 meters into adjacent sidestreets 623,507 496,594

These figures are of course estimates based on certain assumptions which have been generalized for all locations. For the benefit of those who would naturally find these estimates to be rather on the low side, I asked my granddaughter to estimate what would be the capacity crowd of Luneta if everyone were packed like sardines, with only enough space to breathe and no movement possible (8 persons per square meter). The figure she gave me was 1,648,000!

This is a very far cry from the 5 to 6 million that has been accepted as fact by most elements of the victorious opposition. As for the Tolentino estimate of 1.2 million mentioned earlier, this too is a gross exaggeration since pictures showed that the people were certainly not packed like sardines and did not fill the entire Luneta area.

Inasmuch as the figures for EDSA given above are the number that could have been there at any one time, they must be adjusted on the basis of the average number of hours spent there by those who constituted people power from Feb. 22 to 25 if we want to make an educated guess as to the number of people involved. For example, if each partisan spent an average of six hours along EDSA during the peak twenty-four hour period, then the estimated number of bodies who went in and out of the area would range from 1,986,376 to 2,494,028.

These estimates are not intended to be the last word on the subject. They are offered as a starting point for more serious and accurate studies so that all groups may have a more realistic gauge of their drawing power and public perception may not be manipulated by inflated claims.

/9317

CSO: 4200/1064

MILITARY LAUNCHES HUNT FOR RELIGIOUS CULT MEMBERS

HK131550 Hong Kong AFP in English 1522 GMT 13 May 86

[Text] Cagayan de Oro, Philippines, May 13 (AFP)--Military authorities here Tuesday ordered a manhunt for members of an anti-communist religious cult suspected of involvement in a series of gory murders in a southern city.

The killings around nearby Cingoog city, some 750 kilometers (450 miles) southeast of Manila, were believed to have been carried out by members of the 300-strong "Sagrado Corazon de Jesus" cult [as printed], Brigadier General Mariano Adalem said.

The cult, also known as the "Tadtad" [chop-chop], roam the rural villages in this region in the north of Mindanao Island, in search of communist New People's Army (NPA) guerrillas and sympathizers whom they hack to death with long knives.

The Tadtad killed a male resident of a village near Cingoog Saturday, after which they gouged out his liver and ate it, Brig. Gen. Adalem, the military chief of the region, told reporters here.

He said the killing caused the evacuation of four villages.

Philippine human rights groups have alleged that the Tadtad and more than a dozen similar cults were funded and armed by the military under the regime of deposed President Ferdinand Marcos.

Brig. Gen. Adalem said the Tadtad, led by a former policeman and five deserters from the local militia, were also the prime suspects in the murder of a local politician, his wife and a 13-year-old son two years ago.

Renato Bucag, a ward leader of Local Government Minister Aquilino Pimentel--then opposition politician--sustained 11 gunshot wounds and knife wounds to the body in one of the more publicized cases involving the group.

Mr. Bucag's wife was shot 12 times and her breasts and ears were cut off while their son was cut to pieces by the fanatics.

Brig. Gen. Adalem, the concurrent commander of an army division based here, said only 50 members of the cult were armed with homemade rifles, shotguns, and several U.S.-made Armalite automatic rifles which were retained by the police and militia deserters in the group.

BRIEFS

LAUREL TOKYO VISIT--Vice President and Foreign Minister Salvador Laurel denied that he will seek to recover Philippine properties in Japan during his forthcoming visit to Tokyo. Full detail from Marilou Linggad: [Begin Linggad recording] Laurel's announcement was in response to speculation that the purpose of his visit to Japan is to claim Philippine properties worth \$100 million. Laurel clarified that his mission to Japan was to secure additional assistance for the Philippine economic recovery program. [end recording] [Excerpt] [Quezon City Radyo ng Bayan in Tagalog 1000 GMT 16 May 86 HK] /9274

WARNING AGAINST MARCOS RETURN--Military leaders of the MNLF have assured that they will not allow former President Marcos to leave Mindanao alive if he should attempt to return to the country via the south. The assurance was made by [name indistinct], head of the defense command of the Bangsa Moro Army of the MNLF. Other details from Jojo Ismael. [Begin Ismael recording] [Name indistinct] explained that Marcon is an enemy of the Muslim people. Under his rule, some 100,000 lives were lost and 200,000 became refugees in Sabah, Malaysia. [passage indistinct] He also said that the MNLF hopes that the new government will not repeat the crimes of the Marcos administration. He admitted that the new government and the MNLF are currently taking steps to restore peace in Mindanao. [end recording] [Text] [Quezon City Radyo ng Bayan in Tagalog 0400 GMT 16 May 86 HK] /9274

PROBE OF CORRUPT MILITARY--The armed forces anti-graft and corrupt practices board will meet on Tuesday to present the first list of military officials to be investigated in connection with charges against them of hidden wealth. According to a report from Camp Aguinaldo, included in the list are former AFP [Armed Forces of the Philippines] chief General Fabian Ver and other generals. A member of the anti-graft body said the names of the other officials will be made public in due time. Many generals serving the former Marcos government were said to have received over P5,000 each month and built themselves large houses and invested in various large corporations. [Text] [Quezon City Radyo ng Bayan in Tagalog 0400 GMT 17 May 86 HK] /9274

U.S. AIRBASE EXTRA LAND EYED--Angeles City Mayor Francisco Nepumuceno is urging President Aquino to take over the 5,000-hectare supplementary land used by Clark Airbase as a military reservation. Nepumuceno says the land can be used by government people in need of housing and by members of the armed forces as well as by rebel returnees. The Angeles Mayor further suggested that the area be planted with ipil-ipil [fast-growing native tree -- FBIS] and used for self-help projects. [Text] [Quezon City Radyo ng Bayan in Tagalog 0700 GMT 13 May 86 HK]

SECURITY TO GOLDFANNERS--Natural Resources Minister Ernesto Maceda has reached an agreement with officials of the armed forces headed by Brigadier General Rafael Crisol and Brigadier General (Fidel Sison) to beef up security for some 100,000 goldpanners in Davao del Norte. The agreement was reached following a meeting which set up a task force to provide protection to the planners against attacks from subversive elements and the MNLF. Reports said that the NPA has a firm control of remote areas in Davao del Norte. [Text] [Dagupan City DZDL in Tagalog 0445 GMT 16 May 86 HK] /9274

EMBASSIES TO BOOST EXPORTS--All Philippine embassies abroad will be used in the government's drive to boost the promotion of Philippine export products. This was declared by Deputy Foreign Minister Leticia Shahani in a speech to the members of the Confederation of Philippine Exporters of [word indistinct] at the Century Park Hotel. Mrs Shahani outlined the government's goals and urged producers to upgrade the quality of their export products. She said she hopes the new government will keep Philippine trade commissioners in their posts, especially in countries like the United States and around Asia, so they can intensify efforts to promote Philippine products. [Text] [Quezon City Radyo Ng Bayan in Tagalog 0300 GMT 17 May 86 HK] /6662

14TH REGION IDEA UNDER STUDY--The authorities are studying a proposal to create the country's fourteenth region to be comprised of the provinces of Benguet, Ifugao, Mountain Province and Kalinga-Apayao. The proposal was first made to former President Marcos and is now being presented to President Aquino for her decision. Leaders of the provinces of the new proposed grouping say such an integration will foster a more efficient administration of the region. The proposal, which is 10 years old, will include the cordillera area. [Text] [Quezon City Radyo Ng Bayan in Tagalog 0700 GMT 19 May 86 HK] /6662

BACKGROUND CHECKS ON COMMISSION NOMINEES--The National Bureau of Investigation will carry out background checks on all the nominees for the 1986 Constitutional Commission. This is being done in accordance with President Aquino's directive to ensure that the nominees do not have any unfavorable records. The president will give the final approval for the composition of the commission on 25 May, and the body is scheduled to begin its sessions on 2 June. [Text] [Quezon City Radyo Ng Bayan in Tagalog 0400 GMT 20 May 86 HK] /6662

ENRILE AT PEACE, ORDER COUNCIL--The insurgency will be the central topic of the Peace-and-Order Council [POC] meeting in Zamboanga City today. Defense Minister Juan Ponce Enrile will be the guest of honor. According to Chairman Sali Walli, head of the POC, topics to be discussed will be the question of regional autonomous government and the New People's Army which constitutes the biggest threat to the stability of the province. He added that extensive recruitment and other activities of the rebels are the foremost problems of the Peace-and-Order Council. [Text] [Dagupan City DZDL Radio in Tagalog 0445 GMT 16 May 86 HK] /9274

INCREASED NPA ACTIVITY--Iba, Zambales--Col Virtus Gil, Zambales Constabulary and police commander, has issued alert orders to local military and police commanders in the wake of escalated activities by the New People's Army which is now believed to be operating in six out of 13 municipalities here. In an interview with NEWS HERALD, Gil cited two separate incidents which resulted in the killing of George Solovioss, a baranggay captain of baranggay Baloganow, Masinloc, northern Zambales, also working as a militiamen, and one Herminigildo Tumbaga, a military intelligence agent assigned here. Tumbaga's companion, Pio Muyca, reportedly suffered serious gunshot wounds and is now confined at the provincial hospital here. Gil also disclosed the reactivation and strengthening of the rebel groups particularly in the mining sites of Benguet Consolidated, Coto mines and Acoje mines all located in this province. The military believed that at present, there are at least 600 leftwing members actively roaming around in the rural areas. Gil however, is holding an all-out war against the terrorists so as not to distract the reconciliation move of the present administration. [Text] [Manila THE NEWS HERALD in English 13 May 86 p 11] /8309

MARCOS' WEDDING ANNIVERSARY PETE--An estimated 4,000 Filipinos were said to be on hand to help former President Marcos and his wife celebrate their 32d wedding anniversary in Honolulu yesterday. At the said occasion, Mr Marcos called on Filipinos to avoid bloodshed which might usher in civil war in the country. The couple's visitors included well-known singers and actors from the country. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 12 May 86 HK]

MARINES DEPLOYED IN PALAWAN--A platoon of Philippine Marines has been deployed in Bugsuk Island and in surrounding islands in Southern Palawan, to secure and protect them from any Moro National Liberation Front (MNLF) attacks. This was learned by Commodore Serapio C. Martillano, AFP [Armed Forces of the Philippines] flag officer in command of the Philippine Navy [PN], during a briefing given by Commodore Serapio T. Taccad, AFP, commander, Western Command (Wescom), in the course of the former's two-day command visit to PN units in Palawan, including Marine elements in Bugsuk. The island of Bugsuk, which is in the process of sequestration, has been under threat of attack from the MNLF. The Wescom chief swiftly moved to protect the people in the island. Commodore Taccad deployed the marines in coordination with the island's resident manager, Oscar Libunao who is an agricultural engineer, and the local populace, who welcomed the move. [Text] [Manila MANILA BULLETIN in English 14 May 86 p 4] /8309

CSO: 4211/53

HEALTH GROUP RAPS U.S. OVER DRUG EXPORTS TO THIRD WORLD

BK170355 Bangkok BANGKOK POST in English 17 May 86 p 1

[Text] Thailand needs effective measures to stop the influx of foreign drugs, medical scientists said yesterday.

Dr Chanphen Wiwat of the Coordinating Committee for Primary Health Care, and pharmacists Miss Samli Chaidi, said a wide variety of drugs are being imported freely into this country and nothing can stop them.

The two women said that although the Thai Food and Drug Administration occasionally ran a check on imported drugs, the agency was concentrating mainly on identifying the types of drugs rather than looking at the danger they might bring.

Dr Chanphen and Miss Samli said many U.S.-made drugs which were not approved by the U.S. Food and Drug Administration are available in Thailand.

They said most of these drugs were products of American subsidiary firms operating outside the United States.

They cited as examples medicine such as Kipyron, the anti-diarrhea drug Clioquinol and Streptomycin. These, they said, have been banned in the United States but are on sale here.

They said Dipyrone and Clioquinol are made by U.S. subsidiary companies in Malaysia and Pakistan, respectively.

Dr Chanphen and Miss Samli were speaking after the coordinating committee and the Drug Study Group had jointly presented a letter to the U.S. Embassy protesting against Senate legislation which approves the export of untested U.S. drugs to the Third World.

The letter urged President Reagan and the U.S. House of Representatives to reject the bill.

The letter denounced the Senate-approved bill as "a serious infringement of human rights." It said that while American bans the sale of such drugs at home, it permits these drugs to be sold abroad.

The letter accused the U.S. Government of selfishly trying to protect its citizens and sacrificing the lives of those in other countries.

GOVERNMENT TO CONSIDER U.S. REQUEST ON COPYRIGHTS

BK160408 Bangkok THE NATION in English 16 May 86 p 17

[Excerpts] Thailand yesterday agreed to consider a request from a high-level U.S. delegation to look into the possibility of amending the Copyrights Law to protect U.S. intellectual property rights here, said a senior Foreign Ministry official.

The Thai Copyrights Law of 1978 provides protection to products of the countries which are signatories to the Berne Convention. The United States is not a member to the convention.

Deputy Director General of the Economic Department Kasit Phirom said that if the United States joins the Berne Convention, American products will automatically come under protection of the Thai Copyrights Law.

The deputy direction general said the discussion with the U.S. team was very productive and that Thailand "has done a very good job in explaining the Thai position." The meeting covered a wide range of subjects related to the Generalized System of Preferences (GSP) and market access to products from Thailand to the United States and vice versa as well as protection of the U.S. intellectual property.

The U.S. delegation was led by Ms Gordanna Slijepovic of the Office of the Special Trade Representative; Mr Lyle Sebranek of the U.S. Department of Agriculture; Mr Dieter Hoinkes, U.S. Patent and Trademark Office, Department of Commerce; Mr Cris Meyer, Library of Congress, Copyright Office and Mr Jeff Hardee, U.S. Department of Commerce.

The U.S. side yesterday stressed the importance of the protection of intellectual property rights including copyrights, patents, and trademarks. Kasit said that the U.S. team also called for strict enforcement of relevant laws to protect American interests here.

On the question of patent, Kasit said that the protection of the U.S. pharmaceutical products was focused on the 20 percent of valid pharmaceutical patents. About 80 percent of the current patents here have expired, he said.

Since more than 90 percent of pharmaceutical ingredients used to produce drugs are imported, the Thai law already protects the manufacturing process, he said, adding that the United States could seek patent protection in countries which produce raw materials for pharmaceutical products.

The U.S. side warned that without proper protection on the drugs' patent the U.S. drug companies would not introduce new drugs into the Thai market for fear that they would be imitated and at the same time it would discourage extensive research on new drugs to cure tropical diseases.

Furthermore, Kasit said that the U.S. delegation also wants to see protection for items such as computer software and limit the public performance right regarding cinematographic work. "They want severe penalties as deterrent to enforce the rights guaranteed by law," Kasit said.

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CSO: 4200/1042

EAST SEABOARD DECISIONS LEFT TO NEW GOVERNMENT

BK160514 Bangkok BANGKOK POST in English 16 May 86 p 11

[Text] Prime Minister Prem Tinsulanon has decided to leave all policy decisions regarding the eastern seaboard projects to the new government taking up office after the 27 July general elections, a cabinet source told BANGKOK POST yesterday.

The source said a number of factors were behind the decision.

He said General Prem believed that if the present caretaker government decided to proceed with the projects now when the country's economy is improving, with the participation of many local and foreign private companies, and they turned out to be successful, the economy would benefit greatly.

But he added that Gen Prem feared that if the current government decided to implement the projects with very small participation by the private sector, they would likely fail, resulting in added burden for the new government.

The source, also a member of the Eastern Seaboard Development Committee [ESDC] also said the national fertiliser project, one of the eastern seaboard projects, is still plagued with many problems which have delayed its implementation.

He said that Gen Prem, having taken the delayed fertiliser project into consideration, decided to leave all policy decisions regarding these projects to the new government.

The source added that the ESDC is scheduled to hold its last meeting early next month to clear some minor details and problems, without touching on any major policy concerning the projects.

But he expressed disappointment at the delay in the implementation of the multi-billion-dollar "masterpiece" projects: the construction of two deep-sea ports in Laem Chabang and Map Ta Phut, the industrial estate, national fertiliser and petrochemical complexes.

The source also said that if Gen Prem becomes prime minister again after the general elections, he expects all the projects to go ahead as scheduled as the Council of Economic Ministers has already approved their implementation.

So far, the government has made quite a substantial investment in laying the groundwork for these projects but their construction has not started yet.

Eastern Seaboard Development Office Director Dr Sawit Phothiwihak, described as a hard pusher of the major projects, recently said several hundred million baht had been put into the projects.

The implementation of the eastern seaboard projects was strongly criticised by various circles, including the prime minister's economic adviser who said the projects, which involve massive investments, would push up the country's external borrowings to a dangerous level and the country would suffer greatly if these projects fail.

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CSO: 4200/1042

REPORTAGE ON VISIT BY ITALIAN FOREIGN MINISTER ANDREOTTI

Meets with Prem, Sitthi

BK091438 Bangkok Voice of Free Asia in English 1500 GMT 8 May 86

[Text] Italian Foreign Minister Giulio Andreotti said yesterday the ASEAN memorandum submitted to Japanese Prime Minister Yasuhiro Nakasone was received with great interest by the seven industrialized nations at the Tokyo summit.

The Italian foreign minister, who arrived in Bangkok from Tokyo yesterday, today called on Acting Prime Minister General Prem Tinsulanon and Acting Deputy Prime Minister and Foreign Minister Air Chief Marshal Sitthi Sawetsila. Mr Andreotti reportedly said he came to Thailand to celebrate the centennial of the establishment of diplomatic relations with Italy and also to discuss and exchange views on bilateral and international relations. Mr Andreotti also signed three memoranda of understanding concerning Italian Government assistance to three Thai development projects.

Signs Agreement, Pledges Aid

BK100925 Bangkok Domestic Service in English 0000 GMT 10 May 86

[Text] Italy and Thailand have agreed to expand bilateral trade relations. The agreement was reached during a meeting between Prime Minister Prem Tinsulanon and Italian Foreign Minister Giulio Andreotti at Government House on Thursday. Mr Andreotti arrived in Thailand on Tuesday night for a 2-day visit. Apart from trade, Italy also pledged to promote Italian investment in Thailand and to cooperate with the Third World countries in providing assistance to Thailand. The Italian foreign minister also told Prime Minister Prem that Italy will try to persuade member countries of the European Community to increase tapioca export quota for Thailand.

During the visit, Mr Andreotti also signed a memorandum of understanding on technical cooperation, under which Italy will increase the availability of Italian technology and know-how in Thailand.

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CSO: 4200/1042

NEW ZEALAND'S LANGE TO VISIT MANILA, BANGKOK

BK140419 Bangkok THE NATION in English 14 May 86 p 3

[Text] New Zealand's Prime Minister David Lange will pay a 2-day official visit to Thailand late next month to strengthen bilateral relations.

An official of the New Zealand Embassy said that Lange will visit 28-30 June.

He said that Lange will lead a delegation to the post-ASEAN foreign ministers meeting in Manila, to be held 26-28 June.

The meeting between ASEAN foreign ministers and ministers from the group's dialogue partners will follow the ASEAN foreign ministerial conference. New Zealand is a dialogue partner of ASEAN.

New Zealand has regularly contributed humanitarian aid to Kampuchean refugees inside Thailand.

Commenting on the eight-point peace plan proposed by the Coalition Government of Democratic Kampuchea, Lange said that the proposal was a useful step in the right direction, according to an embassy press release. He said that the peace plan contained two fundamental requirements: that all foreign troops withdraw and self-determination for the Kampuchean people.

"It is ironic that the Vietnamese have rejected the CGDK proposal as an attempt by the Kampuchians to develop a framework for bringing this conflict with Vietnam to an end.

After his visit to Thailand, Lange will visit Australia, where he will open a new consulate in Adelaide.

Meanwhile, Son Sann, the president of the Khmer People's National Liberation Front, completed his 4-day visit to New Zealand. Son Sann also visited Australia to ask for more humanitarian aid and support for the peace plan. Lange said the nationalist leader would be an important figure in the evolution of a peaceful settlement in Kampuchea.

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CSO: 4200/1042

LABOR DEPARTMENT LIFTS BAN ON WORKERS GOING TO LIBYA

BK170507 Bangkok THE NATION in English 17 May 86 p 3

[Text] The Labor Department has lifted a ban on the export of Thai workers to Libya, which was imposed after the U.S. air attack against that country last month.

The Overseas Labour Administration Office said yesterday that the department had allowed job placement agencies to resume sending Thai labourers to Libya under certain conditions, after the situation in that country returned to normal.

Those conditions, it said, include assurances that the workers will be sent to work in areas far from potential fighting sites and that employers have an evacuation plan in time of emergency, and a guarantee by employers to provide transportation for Thai employees to return home if the situation becomes unfavourable.

There are currently 19 job placement agencies which export workers to Libya.

The Labour Department in the middle of April urged the immigration authorities at Don Muang Airport to halt Thai workers going to Libya after the United States had launched air raids on cities in that oil-rich country.

About 30,000 Thais reportedly work in that country. Most of them are employed in construction work outside Tripoli—one of the targets attacked by American warplanes.

The Overseas Labour Administration Office, meanwhile, said Singapore authorities would start getting tough with Thai workers illegally entering the country as well as those working there without work permits.

It said violators would be arrested and might face harsh punishment.

A number of Thai labourers, according to the office, had been deceived by illegal job placement firms which arrange their entry into the island country as tourists without visas, entitled to only 2-week stays.

The office also said that some illegal job placement agencies had lured Thai workers to work in France. It added that the labourers had been sent to work in a small garment factory for extremely low wages.

SHELLING FROM BURMA CAUSES INJURIES ON BORDER

BK151000 Bangkok BANGKOK WORLD in English 15 May 86 p 3

[Text] Tak--Four Thai villagers were seriously wounded when mortar shells fired by Burmese troops at Karen rebels landed near the border in Tha Song Yang District yesterday, an informed police source told the WORLD this morning.

Apart from the Thai injuries, 15 Karens were also wounded in the fighting which intensified early yesterday morning after periodic fighting a few days ago.

The source said that four Burmese shells landed at the Tha Song Yang border about 9:45 am causing damage to a house and wounding Bandit China, 15, Mrs Buachan Sirat, 59, Khao Sabung, 53, and Mrs Bunsri Sitthiwet, 43.

They were admitted to Mae Sot District Hospital for medical treatment.

The source said that Burmese troops and Karen rebels engaged in fighting around the Karens' Maw Po Kay and Tikornl camps, opposite Tha Song Yang District, a few days ago and the battle intensified yesterday.

The Karens suffered 15 injured, the source said, adding that unconfirmed reports indicated that many Karen soldiers were also killed.

The source denied a report that the Karens' Pa Lu camp had been overrun by Burmese troops. Fighting was still raging there, he said.

Thai border forces had been placed on full alert as the fighting intensified.

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CSO: 4200/1042

THAI NAVY INCREASES PATROLS TO CHECK SOVIET SUB

BK120724 Hong Kong AFP in English 0705 GMT 12 May 86

[Text] Bangkok, 12 May (AFP)--The Thai Navy has stepped up sea patrols to check reports from Thai fishermen that a Soviet submarine was cruising with Vietnamese warships in the Gulf of Thailand, a navy spokesman said here Monday.

Rear Admiral Dilok Phatthanakoson said in a telephone interview that according to Thai fishermen, a Soviet submarine and seven Vietnamese patrol boats had for the past 2 months been sailing near Kong Island, 30 miles (25 miles) off the southernmost tip of the Thai-Cambodian border.

The official declined to comment on a press report that the Soviet and Vietnamese vessels were trying to prevent Thai fishermen helping Vietnamese boat people drifting in the gulf.

Several fishermen from Thailand's eastern border provinces of Trat and Chanthaburi have been detained in Vietnam and their trawlers confiscated for allegedly encroaching upon Vietnamese territorial waters.

The Thai language newspaper FRONTLINE [NAEO NA] Monday quoted an official of the Eastern Border Task Force as saying that Hanoi had denounced Thai fishermen for charging two bars of gold or 10,000 baht (384 U.S. dollars) per boat person rescued.

Representatives from the Thai Fishermen's Association were unavailable for comment.

Admiral Dilok said the fishermen's reports had prompted the navy to increase its assignments in guarding territorial waters but gave no further details.

He said it was not unusual for Soviet submarines or Vietnamese boats to cruise in the Gulf of Thailand from the Cambodian harbour of Kompong Som.

These ships have in the past monitored joint Thai-U.S. military exercises or visited Thai oil platforms in the gulf.

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CSO: 4200/1042

SPOKESMAN ON AMNESTY'S CALL FOR TORTURE CASE PROBE

BK130802 Bangkok BANGKOK WORLD in English 13 May 86 p 32

[Text] Thailand has denounced as interference Amnesty International's (A.I.) call on the Thai Government to investigate the alleged torture of three Kampucheans by Thai border officials last March.

Foreign Ministry Spokesman Sawanit Khongsiri said A.I.'s call marked an interference in Thailand's domestic affairs and he did not believe any sovereign state would comply with such pressure.

Colonel Prasat Thankham, deputy commander of the Burapha Task Force responsible for Thai security on the Kampuchean border, said he was not aware that any Kampuchean bandit captured on 17 March had been tortured as alleged.

The comments followed a REUTERS dispatch from London which quoted an A.I. spokeswoman saying that three Kampucheans had been reported tortured and four detained in retaliation for the bandit killing of a security official and the wounding of another on that day.

In an interview with the Voice of America, Col Prasat said one Thai ranger was killed and another wounded by RPC rocketfire on 17 May when they clashed with a group of about 10 Kampuchean bandits who had attacked refugees at Site 7 near Khao I-Dang. Some bandits fled the scene with their loot but some were captured and are now being detained to stand trial in the criminal court under Thai law, he said.

A.I. has no right to interfere with Thai jurisdiction, he said. Bandits have robbed, killed and raped not only unarmed Kampuchean refugees but also Thai border villagers, he pointed out.

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CSO: 4200/1042

GOVERNMENT TO LIMIT NUMBER OF MISSIONARIES

BK190225 Bangkok THE NATION in English 19 May 86 p 3

[Text] The government is trying to limit the number of foreign missionaries in the country and will allow only "necessary" members of various religious groups to stay, Deputy Education Minister Samphan Thongsamak said.

Samphan said the Religious Affairs Department hopes to bring down their number by 10 percent yearly by not extending their non-immigrant visas.

The government began taking steps in that direction last year and the measures will stay in force until only "necessary" members of each group are left, he said.

The ministry had to limit the missionaries since the number of foreigners who come here on religious missions is increasing, said Samphan, adding that the department's officials would not be able to thoroughly monitor their activities if their number keeps on growing.

He said Thai authorities have consulted with heads of major foreign organizations whose religious establishments are recognized by the department and there was agreement that their numbers should be restricted.

The department asked heads of these principal organizations to consider whether sects that break away from their parent groups should be allowed to preach here.

Apart from Buddhism, there are four other religions which are recognized by the government: Islam, Hinduism, Christianity and Sikhism.

According to Samphan, there are nine organizations of the four religions which the government recognizes as principal bodies: the Buddhist Association of Thailand, Central Islamic Committee of Thailand, Catholic Association of Thailand, the Church of Christ in Thailand, the Evangelical Fellowship of Thailand, Thewa Sathan Bot Phram (of Hindu mission), Hindu Samag, Hindu Dharma Sabha, and Siri Guru Singh Sabha belonging to the Sikhs.

The department also acknowledges four other establishments as special religious institutions: Office of Chula Ratchamonti, Apostolic Nunciature of the Holy See, the Catholic Mission of Bangkok, and the World Fellowship of Buddhists.

Two foundations, the Foreign Mission Board and Seventh-Day Adventists, are recognized as outgrowth of Christianity.

The deputy education minister said several other religious groups were seeking legitimate status from the department so they can institutionally preach their teachings here and their missionaries can have their visas extended.

However, he said the department has discussed with the principal bodies and they concluded that the teachings of these groups contradict theirs and those of other sects in the same religion.

He said members of these illegitimate sects most came into the country as tourists and some were introduced here by Thai expatriates.

All foreign religious groups officially permitted to preach here are governed by the 1981 regulation of the Religious Affairs Department which rules that their activities must not be against Thai law and culture, he said.

Although they are not recognized by the Thai authorities, these illegitimate religious groups continue to be active nationwide. Samphan, however, said the department could not take drastic steps to prevent their activities since Thai people have the freedom of religion.

He said foreign missionaries are good at making their ways into the country. "When their visas expire and they cannot get extension, they go to nearby countries and re-enter Thailand as tourists."

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CSO: 4200/1042

BRIEFS

PREM MEETS BURMESE MINISTER--During talks with Burmese Minister U Ye Gaung, General Prem discussed trade and border issues and efforts to combat drug trafficking. Gen Prem also expressed appreciation following Her Royal Highness Princess Maha Chakkri Sirinthon's visit to Burma last month and regret that Burmese Prime Minister U Maung Maung Kha's visit to Thailand would be postponed until after the July general election. [Excerpts] [Bangkok BANGKOK POST in English 9 May 86 p 5 BK] /12232

GUERRILLA AMBUSH--Chiang Rai--Four people, including two forestry workers, were killed in an ambush by a group of gunmen believed to be guerrillas of the Shan United Army (SUA) of drug kingpin Khun Sa yesterday morning, police said. Another three persons were also wounded in the attack near the Thai-Burmese border in Mae Ai District. They were riding in a Land-Rover on their way to a hilltribe development centre on Doi Phu Muan, about 10 km from the border, when they ran into an ambush. Two of those killed were identified as Prasit Bunklang and Mrs Amphai Saengsurin, both employees of the Forestry Department. The other two were Chachu, the headman of a Muser hilltribe village, and Sombun, a farm worker. Six gunmen, all wearing black and green, took part in the ambush, according to witnesses. They were reportedly armed with M-16 rifles and carbines. Police said the gunmen were believed to be guerrillas of the SUA who have been clashing with the Muser hilltribe people. They said the chief of Mae Ai District and some senior local officials were to have passed the same route shortly after the ambush to open an agricultural training course for the mountain people. [Text] [Bangkok THE NATION in English 16 May 86 p 3 BK] /12232

CSO: 4200/1042

CPSU LECTURERS CONCLUDE PHNOM PENH VISIT

BK131228 Phnom Penh SPK in English 1108 GMT 13 May 86

[Text] Phnom Penh SPK 13 May--A group of lecturers of the Communist Party of the Soviet Union Central Committee left Phnom Penh yesterday morning after a 2-week long official friendship visit to Kampuchea.

The group led by Bourtiak Grigoriy, first secretary of Vinitaa region party committee of the Soviet Socialist Republic of Ukraine, was seen off at the Pochentong Airport by Nim Thot, vice president of the Commission for Propaganda and Education of the People's Revolutionary Party of Kampuchea Central Committee; and Vsevolod Galitskiy, first secretary of the Soviet Embassy to Kampuchea.

While in Kampuchea, the delegation was cordially received by Khoy Khunhuor, member of the PRPK Central Committee and vice president of its Commission for Propaganda and Education.

The group gave lectures on the results of the 27th CPSU Congress to cadres of various services and ministries in Phnom Penh and Kandal Province. It also attended a meeting marking the centenary of the International Labour Day (1 May) and visited the Tuol Sleng Museum of Genocide, the National Museum, the former Royal Palace in Phnom Penh City, and the Angkor Wat Temple in Siem Reap-odder Meanchey Province.

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CSO: 4200/1043

SPK REPORTS ON BORDER VIOLATIONS BY THAIS, REACTIONARIES

Week Ending 1 May

BK091245 Phnom Penh SPK in English 1110 GMT 9 May 86

[Text] Phnom Penh SPK 9 May--During the week ending 1 May, Thai aircraft of L-19 and A-37 types and helicopters 21 times overflew the Kampuchean-Thai-Lao border intersection, Yeang Dangcum, Poipet, Malai and other places along the Kampuchean-Thai border from 1 to 5 kilometers inside Kampuchean airspace.

On sea, Thai armed vessels made 209 intrusions into Kampuchean waters from 5 to 35 miles off Kaoh Kong, Kaoh Tang and Poulowai Islands. On land, in the same period, several groups of Khmer reactionaries infiltrated from Thailand into Kampuchean territory for sabotage activities. The local armed forces, in close cooperation with Vietnamese Army volunteers, put 219 intruders out of action including 110 deaths 25 captures and 84 surrenderers; 109 weapons and a quantity of ammunition were seized.

First Week in May

BK161222 Phnom Penh SPK in English 1113 GMT 16 May 86

[Text] Phnom Penh SPK 16 May--In the first week of May, Thai aircraft of the L-10, A-37 and F-5 types eight times overflew the areas of northern Preah Vihear, Anlung Veng, Ampil, Yeang Dangcum, Poipet, Road 56, hills 329 and 277, and northern Koh Kong.

On 30 April, a Thai A-37 made a reconnaissance flight deep inside the Kampuchean airspace north of Anlung Veng from 8-10 km. On sea, Thai armed vessels made 221 intrusions into Kampuchean waters from 4-30 miles off Kaoh Kong and Kaoh Tang Islands.

In the same period, groups of Khmer reactionaries from Thai soil intruded into Kampuchea, but they were duly punished by the local armed forces. Two hundred and seventeen intruders were put out of action, including 109 deads, 64 surrenderers and 44 prisoners, and 88 rifles and a quantity of ammunition were seized.

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CSO: 4200/1043

BRIEFS

FINANCE MINISTRY MEETING--Phnom Penh SPK, 12 May--The Ministry of Finance has held a 3-day conference to review its work in 1985 and set new tasks for this year. A report at the meeting showed that last year's national revenues increased by 12 percent over the yearly target and the network of bank services has been expanded, helping increase the industrial investment by threefold. Speaking at the closing session, Chea Soth, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and vice premier, urged the participants to do their best to implement the tasks set for this year. The meeting awarded a rotary banner of the Council of Ministers to the financial and banking service of Battambang Province. Nine other banners were given to other services under the ministry, and a number of certificates of merit to units and individuals for their outstanding work in emulation movements. [Text] [Phnom Penh SPK in English 1115 GMT 12 May 86 BK] /12232

NATIONAL DAY GREETINGS--Phnom Penh SPK, 9 May--Chea Sim, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and chairman of the National Assembly, has greeted his Czechoslovak counterpart, Alois Indra, on the 41st National Day of the Czechoslovak Socialist Republic (9 May). In his message to Alois Indra, Politburo member of the Central Committee of the Communist Party of Czechoslovakia and chairman of the Federal National Assembly, Chairman Chea Sim says: We have followed with great attention and highly praised the great achievements recorded in national construction and defence by the Czechoslovak people in the past 41 years under the correct leadership of the Communist Party of Czechoslovakia with General Secretary Gustav Husak at the head. "We wish to express our sincere and profound thanks to the party, the state and the people of Czechoslovakia for their precious support and assistance to the Kampuchean people's national construction and defence" he concluded. [Text] [Phnom Penh SPK in English 1103 GMT 9 May 86] /12232

CSO: 4200/1043

EDITORIAL ADVOCATES PROPER TRAINING, USE OF RETURNING SOLDIERS

Hanoi QUAN DOI NHAN DAN in Vietnamese 9 Apr 86 pp 1, 4

[Editorial: "Training and Use of Demobilized and Discharged Military Personnel"]

[Text] In the wars of national liberation and protection of the fatherland, millions of youths have enthusiastically departed for combat. After completing their military obligations, hundreds of thousands of military personnel have returned home for production and work. At the present time, in accordance with the military draft law, tens of thousands of youths join the service each year and tens of thousands of others also complete their military obligations and return home. This is a young labor force, educated, trained and challenged through combat and work with a concept of high discipline organization. The majority of this force is young and healthy with high cultural standards and an understanding of many trades and specialties. Therefore, the proper elementary and advanced training and use of the force of demobilized and discharged military personnel returning to the local area is a task of profound political significance that assists in stimulating production development and the maintenance of security and social order.

During the past few years, many local areas in the country have considered demobilized and discharged military personnel as a key force in the revolutionary movements of the masses. These ranks are present in nearly all sectors, echelons, agencies and production units. In the heavy industrial production area, demobilized and discharged military personnel account for 15 to 20 percent of the labor forces. On the agricultural production front, they account for 35 percent of the young labor force and are responsible for many aspects of the work in the party committee and administrative echelons and the cooperative management boards. Especially on the security and social order maintenance front and in the construction of self-defense and militia forces, demobilized and discharged military personnel play a key role in all localities. Many local areas have emphasized the elementary and advanced training of demobilized and discharged military personnel to become cadres with outstanding professional standards. Hanoi City, Ho Chi Minh City, Quang Nam-Da Nang Province, Thai Binh Province, etc. have actively coordinated with sectors and echelons to delineate priority for their elementary and advanced training and to arrange jobs in agencies and enterprises. Many localities have opened trade schools and vocational and cadre training classes for tens of thousands of demobilized and discharged military personnel to participate in the leadership of mass organizations. In the wards and districts, there is also active establishment of many medium and small-size enterprises and cooperatives to attract tens of thousands of demobilized and discharged military personnel.

However, during the recent past, there are still some localities that do not fully realize the role of demobilized and discharged military personnel; therefore, this force has not received concern in elementary and advanced training and use. Registration and management lack firmness, there is no grasp of the capabilities of demobilized and discharged soldiers, and there are still no methods for rational use in economic and social construction and development or in building national defense in the local area.

In order to properly develop the capabilities of demobilized and discharged military personnel on the production development, socialist transformation, and fatherland construction and protection front, local areas must first of all organize their investigation, registration and classification. On that basis, closely ascertain the political qualities, trade specialties, health and standards in every aspect of each individual. A system of registering demobilized and discharged military personnel must be promptly implemented, consistent with the requirements for policy, labor and mobilized reserve troop management. Subsequently, organize the delineation and formulation of plans for their elementary and advanced training and use consistent with their standards, health and trades aimed at answering the immediate and long-term requirements of the local area. Actual practice has shown that the use and elementary and advanced training of demobilized and discharged military personnel must have specific and firm phases. Those with good political qualities, health and cultural standards must receive elementary and advanced training to supplement the ranks of leadership cadres at the basic level. Demobilized and discharged military personnel with technical and professional standards must be deployed to the proper trade. Individuals directly engaged in production labor must have conditions created to both participate in production and in the self-defense military and youth union organizations, training them to become key elements in all aspects of local activity. Those who were cadres, workers, state civil servants, enterprise workers, etc. prior to enlistment must now receive priority in providing reasonable jobs precisely in accordance with the systems and policies promulgated by the party and state.

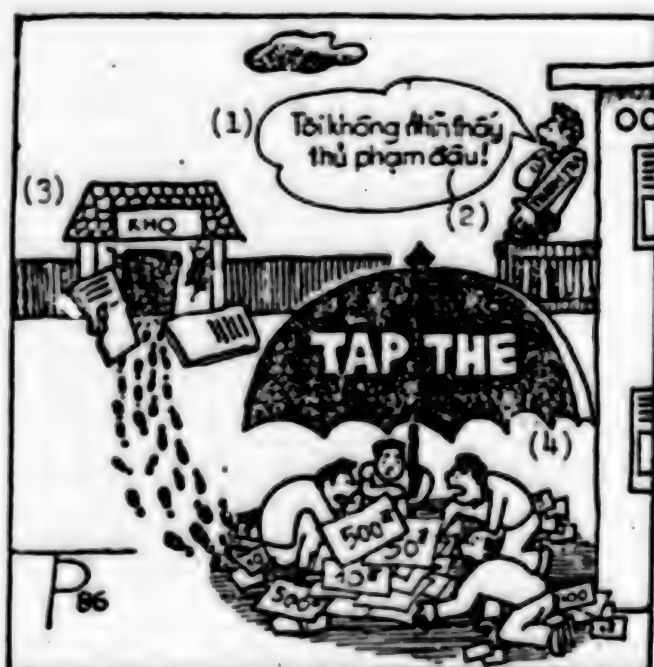
Demobilized and discharged military personnel returning to the local area are a valuable labor force and localities must therefore emphasize concern for the elementary and advanced training and good use of this force, considering it as a regular task of all echelons and sectors. Only in this manner will the elementary and advanced training and use of demobilized and discharged military personnel become a firm procedure, develop the strength of the men at the front, and assist in building and developing the economy, strengthening the national defense, and maintaining security and social order and safety.

7300
CSO: 4209/501

INABILITY TO COPE WITH COLLECTIVE SANCTIONED CRIME CARTOONED

Hanoi NHAN DAN in Vietnamese 13 Apr 86 p 4

[Cartoon]



Nấp bóng á. (5)

Tranh: PHAM VAN TU

Key:

1. What culprits???? I don't see any.
2. Inspector
3. Depot
4. The collective
5. Sheltered by the umbrella's shadow

/8309

CSO: 4209/526

LAOS BUILDING ROUTE 16 WITH VIETNAMESE ASSISTANCE

Hanoi QUAN DOI NHAN DAN in Vietnamese 7 Apr 86 p 4

[VNA News Release: "Quang Nam-Da Nang Province Assists Tchepone Province, Laos Construct Route 16"]

[Text] Implementing the policy of cooperation between sister provinces, Quang Nam-Da Nang Province in Vietnam is assisting Tchepone Province in Laos to construct and upgrade Route 16 connecting Tchepone Province with Route 23 on the Bolovens Plateau. The construction on this road, which is 50 kilometers long and 8 meters wide, began at the beginning of April 1986 and will have the paving completed by 1990.

This is one of the key projects of Tchepone Province in the second 5-year plan and when completed, will create many advantages for economic and cultural development encompassing all export fields of the province and the entire nation.

7300

CSO: 4209/501

'CRITICISM' BY TOADIES OF CORRUPT OFFICIALS SCORED

Hanoi NHAN DAN in Vietnamese 13 Apr 86 p 4

[Cartoon]



Không lời.

Key:

1. Promote criticism and self-criticism
2. Keep it up, that's the kind of criticism I can take
3. Criticism [only mild as symbolized by the fan]
4. Embezzling charge
5. Bribery charge
6. Arbitrariness charge
7. Paternalism charge

/8309

CSO: 4209/526

NHAN DAN EDITORIAL ON PRODUCTION COST MANAGEMENT

BK131459 Hanoi Domestic Service in Vietnamese 2300 GMT 11 May 86

[12 May NHAN DAN editorial: "Renovate Management Over Production costs"]

[Text] State enterprises are basic economic units authorized by the state to use part of society's production materials to carry out production and business in accordance with plans to benefit the entire country, the collectives, and individual laborers.

In the centralized, bureaucratic, red-tape, and subsidy-based management system, the state assigns planned targets for production costs directly to basic economic units, applies the system of income quota computed in percentages against planned production costs, and distributes income on the basis of actual income. Facts over the years show that this mode of doing business does not encourage basic units to increase production because these units do not receive all of increased income even if they try to reduce production expenses and costs, not to mention the unrealistic establishment of production costs by certain localities.

The Political Bureau's draft resolution on guaranteeing basic economic units' right to autonomy in production and business fully reflects the spirit of and substantiates the party Central Committee's sixth, seventh, and eighth plenum resolutions calling for resolutely discarding the centralized, bureaucratic, red-tape, and subsidy-based management system and for shifting completely to economic accounting and socialist business while regarding planning as a central task.

The draft resolution points out: Enterprises must bear full responsibility for the problem of profits or losses in production and business and must strive to reduce expenditures to make business operation lucrative. From now on, enterprises must take the initiative to map out their own plans. The state will assign one to three legal norms directly to each enterprise, depending on each category of enterprises, and it will not assign legal norms for production costs. This is a fresh new point in economic thinking of our party and state and their guidance for management over enterprises.

From now on, the state will carry out planning for enterprises in production and business by both the direct process -- that is, through various legal norms -- and the indirect process -- that is, through various systems and

policies that encourage enterprises to provide themselves with more materials and to find more customers to consume their products and help develop their production and business.

The Political Bureau's draft resolution advocates dropping the assignment of legal norms for production costs, taking into account experiences drawn from realities. This is because once enterprises have the right to autonomy -- bearing responsibility for losses and profits in production and business -- they will be obliged to develop their dynamism and creativity, seeking all possible ways to reduce production costs. They will also be obliged to determine the norms for cutting down on the level of materials consumption or for reducing production costs on the basis of well calculated norms and unit prices.

Enterprises exercising the right to autonomy in production and business have demonstrated the correct orientation of the Political Bureau's draft resolution. In these enterprises, cadres and workers have developed their collective mastery, the constant efforts, and their lively initiatives to rearrange and reorganize production rationally, remove [word indistinct] and intermediary links, cut down on the level of energy and material consumption, and reduce transportation costs and other unnecessary expenses.

The new managerial mechanism has truly compelled basic economic units constantly to remove irrational expenses from production costs. Renovating management over production costs in accordance with the Political Bureau's draft resolution does not mean relaxing management over enterprises or floating production costs. Instead, it encourage basic economic units to reduce production costs constantly and improve economic results. This managerial mechanism is also designed to guarantee basic economic units right to autonomy in production and business while ensuring centralized and unified state control and guaranteeing the harmonious integration of the interests of the state with those of the collective and individual laborers.

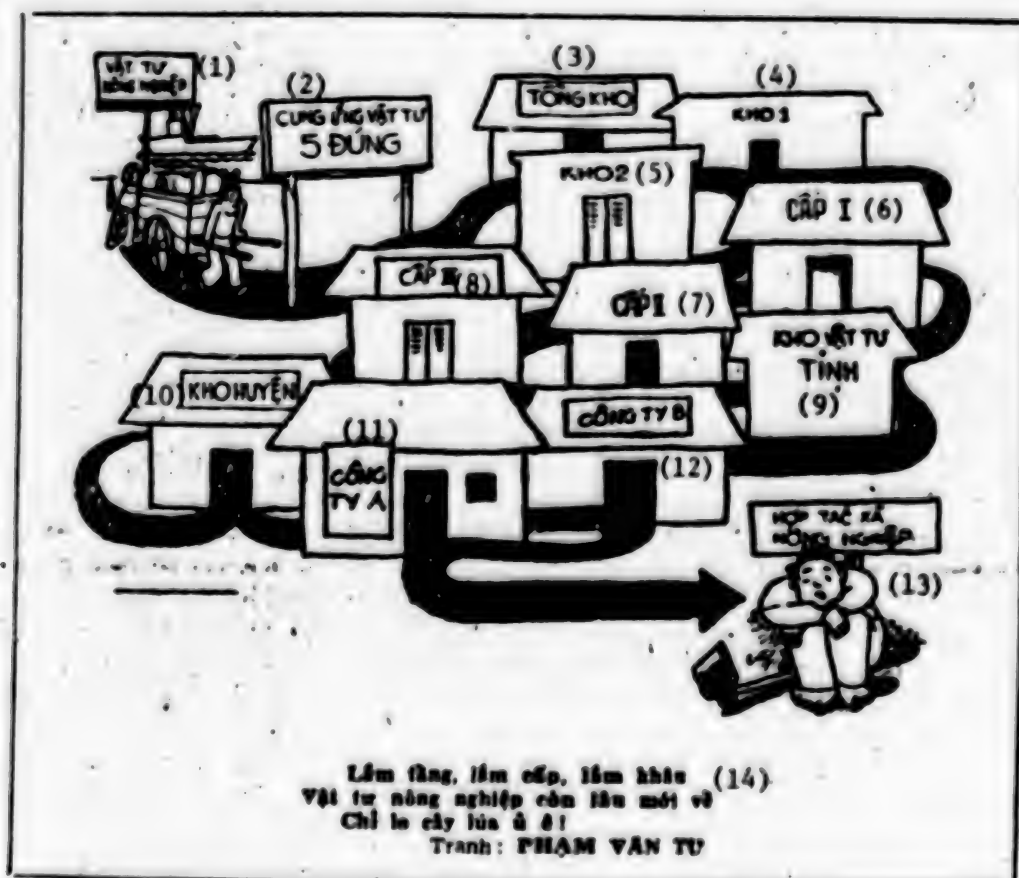
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CSO: 4209/527

PROBLEM OF SUPPLIES REACHING FARMERS ILLUSTRATED

Hanoi NHAN DAN in Vietnamese 18 Apr 86 p 2

[Cartoon]



Key:

- | | |
|--|--|
| 1. Agricultural supplies | 10. District depot |
| 2. The "5 corrects" in furnishing supplies | 11. Corporation A |
| 3. General depot | 12. Corporation B |
| 4. Depot # 1 | 13. Agricultural cooperative |
| 5. Depot # 2 | 14. Alas, with so many levels, echelons, and stages, God knows when the agricultural supplies will get here, All I can do is worry and be sad about my rice. |
| 6. Level I | |
| 7. Level II | |
| 8. Level III | |
| 9. Province supply depot | |

/8309

CSO: 4209/534

ARMY PAPER REPORTS ON USE OF NEW FORMS OF CHECKS

BK101005 Hanoi QUAN DOI NHAN DAN in Vietnamese 17 Apr 86, p 1

[VNA report]

[Text] In compliance with resolution no 31 of the Political Bureau and the Council of Ministers on the urgent guidelines and measures to implement the party Central Committee's eighth plenum resolution, the Vietnam State Bank has issued a circular stipulating the issuance and use of limited checks to expand cashless payments and to reduce the amount of cash in circulation. The state bank will immediately issue limited checks for 20 and 50 dong. At the same time, it will also issued new regulations on "check payments" to facilitate cashless payments and to promote the rotation of materials, goods, and capital.

Limited checks are used to pay part of the salaries and allowances of cadres, workers, retirees, and other recipients authorized by the policy. Limited checks do not show payee's name. The bearer owns the face value of the check. Holders of limited checks can use them to pay for goods and services at state-owned trade units, marketing cooperatives, and other state-run service organizations; to buy national construction bonds; to pay taxes; to deposit into saving accounts; or to repay loans from banks and saving accounts. Checks with scribbles and erasures or crumpled checks are not valid for payment.

Agencies, factories, and economic organizations received money -- partly in cash and partly in checks -- from banks to pay salaries and allowances to workers, civil employees, and other individuals. Specific and appropriate ratios of cash to cheques will be decided by the people's committees of provinces, cities, and special zones. Limited checks can be used at their face values for unified payment within provinces, cities, and special zones. The payment of purchased goods and services and of salaries and allowances to workers, civil employees, and other recipients under the policy is made through limited checks "with prescribed criteria similar to cash payment." If the sum to be paid is smaller than the amount shown on a check, the payer can receive the difference either in checks with smaller amounts or in cash. The issuance and use of limited checks in accordance with this circular will be reported by the directors of bank detachments in provinces, cities, and special zones to the appropriate people's committee chairmen so that specific

plans and measures can be carried out in conformity with the situation in their localities.

Along with issuing limited checks, the state bank also issued new "regulations on check payment." All previous regulations on check payment conflicting with these new regulations are no longer valid. The following points are characteristics of the new regulations:

These new regulations authorize three types of checks: pay checks, pressman checks, and limited check books. In addition to these types of checks, there is another type used for funds transfers.

Checks are used for payment within localities and between localities, to draw cash from banks, and to transfer funds between economic organizations and units involved in trade and the supply of goods and services.

All agencies, economic organizations, and individuals with bank accounts or saving funds are authorized to use pressman checks, limited check books, and funds transfer checks for payments transferring funds or drawing cash from any bank either in the same locality or in other localities countrywide. Units and individuals having bank accounts are also authorized to use pay-checks to pay any units or individual having accounts in banks in the same locality.

Pay-checks to be used outside a locality are of a different form and can be applied to all state-run economic units and cooperatives having credits with banks. They are used for payments among economic units on the strength of economic contracts and owned bank accounts and to draw cash from banks. If the bearer's name is on a check, he can draw cash from a bank without having to be a unit's cashier as previously required by the banks.

Along with expanding the use of various types of checks for payments, to ensure validity and high economic results the banks have also placed some discipline on check payments for customers.

At the same time, the banking sector has also prescribed some internal regulations to reduce troubles for customers: If bank personnel or cadres cause some delay or make mistakes causing losses to customers, they will have to indemnify the unit incurring the loss at the rate of 0.2 percent of the amount of money involved per day for the number of days of delay.

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CSO: 4209/527

BRIEFS

HEAVY RAINS, TORNADO DAMAGE--A message from Comrade Van Xuyen, Ha Nam Ninh-based NHAM DAM correspondent, says the mean early-May rainfall in Ha Nam Ninh measured up to 110 mm. In Ly Nhan, Thanh Lien, and Binh Luc districts, the mean 140-150 mm rainfall has caused waterlogging and flooding in some localities. People in the province are devoting efforts to strengthen embankments and combat waterlogging to save the rice. Worthy of note was a tornado hitting Hai Hau and Nghia Hung districts at noon on 10 May. The freak tornado, with grade 12 whirlwinds and gusts over grade 12, caused loss of life and property in areas between Hai Giang and Truc Hung villages in Hai Hau district, and to Nghia Hung district's 5 villages of Nghia Hong, Nghia Hoa, Nghia Hai, Nghia Phu and Nghia Lac. Initial reports say the tornado killed or injured a number of persons, wrecked hundreds of homes, and caused havoc to thousands of hectares of fifth month spring rice. On the heels of the tornado, the Ha Nam Ninh provincial party committee and people's committee sent groups of cadres from the public health, finance, and banking sectors and mass organizations to the tornado-hit areas to help overcome the consequences. [Text] [Hanoi Domestic Service in Vietnamese 1100 GMT 12 May 86 OW]

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CSO: 4209/527

DO MUOI ADDRESSES SMALL INDUSTRIES CONFERENCE

BKOB1448 Hanoi QUAN DOI NHAN DAN in Vietnamese 24 Mar 86 p 1

[Text] The small industry and handicrafts sector held a conference during 18-21 March to review its 1985 task and discuss production and business for 1986 in accordance with developing planning and implementing the new management system in order to increase the production output of consumer and export goods, while expanding cooperation with foreign countries, exploiting the available work force, and contributing to redistributing labor at the provincial, city, and district levels.

Last year, although the sector received insufficient materials from the state while prices fluctuated during the last months, it strived to develop various grassroots units' dynamism and creativity. As a result, the sectors value of gross output was 100.7 percent, an increase of 14.6 percent, while production output of export goods was 101.8 percent, an increase of 19.6 percent compared with 1984.

To date, the sector has received quality certificates for 8 products, and gold, silver, and bronze medals for 485 other products. The sector has accelerated cooperation with members of the SEP [expansion unknown -- FBIS] organization. It has signed 1986-90 long-term agreements with Czechoslovakia, Cuba, Hungary, and Poland for training managerial and technical cadres, installing equipment for small factories, exchanging goods, and producing more small industrial goods and handicrafts.

In 1986, the sector is concentrating on producing consumer and export goods, while striving to increase products for the agricultural, forestry, and fishery sectors. It has paid special attention to producing and processing materials for its own use, while striving to achieve a gross production value of 50 billion dong, or an increase of 11.2 percent, in which value of export goods increases by 18.7 percent compared with 1985. The sector is striving to develop initiatives, improve technique, install new equipment and production machines, improve industrial regulations, apply scientific and technological advances, improve skills of cooperative members in order to obtain higher productivity and better quality goods, satisfactorily build and use the new management system, reorganize production, consolidate and perfect the socialist production relations, and develop the right to initiative of grassroots units in production and business.

Comrade Do Muoi, member of the CPV Central Committee Political Bureau and vice chairman of the Council of Ministers attended and addressed the conference. He urged the sector to realize its position and role in the national economy, surge forward to produce more consumer and export goods, strive to apply new management systems, improve planning, implement lever techniques, apply technological advances to production to increase productivity and improve quality of goods and produce more new products with the motto: small industry must be modern and handicrafts must be skillful. We must also accelerate socialist transformation in both north and south, giving special attention to improving the result of transformation and consolidating the socialist relations of the small industry and handicrafts sector at present.

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CSO: 4209/527

ACHIEVEMENTS OF TRADE UNIONS REVIEWED

Hanoi LAO DONG 6 Mar 86 pp 1, 2

[Article by H. T.: "Workers, Laborers, and Unions of Ho Chi Minh City Review the Execution of the 10 Pledges"]

[Text] As this paper announced earlier, on 16 February 1986, the municipal people's committee and the federation of trade unions of Ho Chi Minh City have organized a new year meeting between workers, laborers, and unions, and the chairman of the Council of Ministers, Pham Van Dong, to make a report on the execution of the 10 pledges made to the chairman at the meeting of July 1985.

Following is a summary of a report made by Comrade Mai Van Bay, member of the secretariat of the Vietnamese Confederation of Trade Unions, and secretary of the city's Federation of Trade Unions at the meeting:

Subsequent to the second meeting in July 1985 with the chairman of the Council of Ministers, 18 district unions, 16 sector unions, and over 2,500 unions of basic units in the city have enthusiastically exchanged their views, and set objectives and measures to carry out the 10 pledges. Working sessions were held between leadership cadres of the city and sectors and workers and employees, in which recommendations made by the latter were thoroughly considered and appropriately solved. The coordinated efforts triggered a frenzied emulation movement whose most noticeable feature was the initiative taken by city workers and employees in formulating, by their own, concrete objectives and pledges aimed at raising productivity, enhancing quality, and strictly observing the principle of economy. Results obtained in the execution of the 10 pledges since July 1985 until now are summarized as follows:

1. Production: Although confronted with harsh difficulties, in 1985, Ho Chi Minh City reached an industrial and small-industry output of 32 billion dong. Although the plan was not completed (32.5 billion dong), there was an increase of 13 percent compared with 1984. State-run businesses accounted for 65 percent of retail sales in the city.
2. Execution of the resolutions of the sixth, seventh, and eighth plenums of the CPV Central Committee and other resolutions of the CPV municipal committee: In conjunction with government agencies, unions of various levels

have campaigned for the participation of workers and employees in the renovation of the management structure, chiefly the planning structure, in the abolishment of bureaucratic and overbearing styles, in the implementation of economic accounting and socialist-style business, in the lowering of product cost, and in the execution of circulation and distribution operations. Also in cooperation with the government, unions contributed in the formulation of production plans, reassignment of labor, and reclassification of the wage system.

3. Execution of the four systems of responsibility in accordance with Decree No 217/CP of the Council of Ministers was done well. City workers and employees attended meetings and contributed in the formulation of rules and execution measures pertaining to the four systems of responsibility. Those efforts drastically reduced negative phenomena and were instrumental in developing the emulation movement, with most notable results achieved in the following units: Nha Be Steel, Caric Engineering, 2 September Pharmaceutical, Thanh Cong Textile, Dong Phuong Textile, and the Consolidated Printing House, etc.

4. Political and professional education and training was diligently and continuously conducted. Of the total number of workers and employees, 90 percent were given three basic political lessons, the remaining 10 percent being newly hired workers. Other training sessions were held for workers and employees to discuss the text of the lecture of the chairman of the Council of Ministers. Complementary academic courses by 131 units were organized for their workers and employees; they also established 10 additional clubs, raising the total number of district clubs in the city to 35. The city federation of trade unions has organized a Folk Arts Performing Club with the participation of 80,000 actors having 30,000 items in their repertoires. The city had 200 tabletennis teams, 168 volleyball teams, 158 soccer teams, and 60 swimming teams regularly playing and practicing. All these activities contributed to enhancing the morale of workers and employees. The city union's school has organized two advanced general education courses, two courses on union professional responsibilities, and one intermediary course for 88 union cadres of basic units.

5. Fight against negativism: The municipal federation of trade unions has organized 115 worker-inspection teams. The municipal people's committee has issued a decision widening the authority of those teams. In 1985, the teams conducted 3,836 inspections and made recommendations on 1,328 cases, resulting in the recovery of properties and money for the government. Those activities contributed to the deterrence of negative phenomena in production, in society, and in distribution and circulation, strengthening the confidence of the people.

6. Contribution to the maintenance and repair of public works: The municipal federation of trade unions has launched several phases of propaganda and education activities inviting workers and employees to participate in the protection and maintenance of public places in order to make the city truly clean and civilized. With the municipal police, the federation of trade unions has signed a joint resolution making official the coordinated efforts of

workers and employees with the police in the protection of production, and of public welfare places that bear the name of Uncle Ho.

7. Establishment of civilized community quarters, and of new cultural families: the federation of trade unions has organized study sessions on the five requirements of the new cultural family for 85 percent of workers and employees. The city has now 12 civilized community quarters. In terms of family-planning activities, campaign committees were established in 95 percent of units, and 100 percent of units had their workers register in the family planning program. Those efforts resulted in bringing down the birth rate to 1.4 percent while the planned target was 1.6 percent.

8. Care for the livelihood of workers, employees, and laborers in the city: to assist workers and laborers in improving their livelihood, units have applied the method of wage payment on contract, and product contracting. A permanent system of payment of bonuses was implemented, and staple commodities were supplied to workers and laborers in the city through a network of canteens and marketing cooperatives. The city has provided 14,000 housing units for workers and laborers, including 6,000 units newly built under the formula, "The state and the people work together," with 60 percent of the expenses contributed by the people. Units also engaged in secondary production activities, such as animal husbandry and vegetable planting, to increase the workers' income. Among the 690 units that had registered for the construction of refectories with "three well-done standards," 280 satisfactorily completed the construction.

9. Organization of worker and employee conferences and signing of collective agreements: Since the start of the year, all units have organized worker and employee conferences to discuss ways to carry out the plan from the production teams and up. A total of 2,181 units signed collective agreements for the completion of planned objectives.

10. Strengthening of the basic units' unions: Almost all workers and employees were absorbed into trade unions. At present, union members make up 95 percent of the total workers and employees. Of the 2,673 trade unions of basic units, 1,726 were classified as strong organizations, or 67 percent, and 732 as average unions. Trade unions have introduced 6,396 outstanding members to the party, of which 1,273 were accepted as party members.

Comrade Mai Van Bay has also reported to the chairman of the Council of Ministers those issues that need improvement, and presented five recommendations to the Council of Ministers aiming at alleviating problems encountered in the emulation movement.

9458/12955
CSO: 4209/423

POST-MATERNITY LEAVE PROBLEMS DISCUSSED

Hanoi LAO DONG in Vietnamese 6 Mar 86 p 2

[Text] The issuance of a state determination allowing a 180-day maternity leave gave a salutary boost to the morale of female workers and employees of childbearing age. In sharing their thoughts, some women said that 6 months of rest and relaxation allows both mother and child to recuperate and get stronger, and that placing a child in kindergarten in the seventh month is excellent timing.

That is the official line that should have made women at ease and happy. However, at many places, some lamented that the 180-day leave is a matter of serious concern. We will know why after hearing the story of Mrs Ha, of the X Plant.

Ha is a good accountant and her name was on the promotion list for senior accountant. At that time, she was granted a maternity leave, her first child being born just when the 180-day leave system became effective. From late May to early December 1985, Ha went to her native village in Thai Binh and stayed there with her mother.

When her leave was exhausted, she reported to her bureau chief at the plant, who told her: "There is no opening at present, please stay home. We will call you when a position is available."

Many times afterward, she reported directly to the plant director, and got the same answer. "We will call you.."

But when? Ha was fed up and put the blame on herself: the problem stemmed from her becoming a mother! But, "just a minute," she said to herself, "I did not give birth to a child before the age of 23, nor was my child the third or the fourth..! The child is the first, and born... according to plan!"

Ha's worry was legitimate, and this writer took the liberty to share it with our readers. Owing to active intervention of the plant's Female Workers Trade Union, Ha was accepted back to her accounting job. Her worry was not unique, but has been the mind-boggling concern of many other young mothers whose only aspiration is that the manager do not look at them as a burden and pick on them with restrictions, penalties, and pushing them out of the production chains.

In the final analysis, (planned) parenthood is also a function of social labor, a noble and inalienable duty of a woman.

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